# Chapter I
# Introduction


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## A. Introduction

A. Background and Purpose

The purpose of this Manual is to establish consistent program and project management procedures for staff and subrecipients to guide the administration of the State's traffic safety program in compliance with U.S. DOT, NHTSA regulations. Best practice requires that the State highway safety office (HSO-SHSO) have in place a current Manual which documents standard operating procedures and the management of the traffic safety program. The Manual contains a written record of approved current administrative and financial procedures. It serves as a guide to assist staff, subrecipeints, and administrators in performing their assigned functions.

This Manual does not, however, specifically address all regulations which must be followed. References to other Federal and State manuals and policies are necessary.

This Manual is intended for use by HSO personnel, Department employees, State and local government officials, and anyone interested in the procedures which are followed by the HSO.

## B. UPDATING MANUAL

The HSO will review the contents of the Manual at least on an annual basis to ensure that the procedures remain current and accurate. Program and regulatory revisions received from State and Federal sources shall be made and distributed immediately upon receipt of notification.

The HSO *Program Control Analyst* is assigned the responsibility for updating the Manual, including the Table of Contents and Appendices, on at least an annual basis. Revisions requiring immediate attention may be initiated at any time. The Manual is maintained on the Department's web site for easy access by HSO staff and other interested persons. HSO staff should be notified by email of any updates made to the Manual. The program manager will communicate manual changes to the HSO staff. Each program manager will maintain a group email list of all other interested persons who should be notified of the Manual updates.

All members of the HSO staff are advised where to obtain an electronic copy of this Manual and be held accountable for following the processes outlined in this Manual. Where applicable, HSO staff performance evaluations may be tied to compliance with this Manual.

## C. REFERENCE TO STATE DEPARTMENT POLICIES AND PROCEDURES

The laws and regulations of the HSO's State Department also govern the HSO traffic safety program. The Department has created policies and procedures that may be pertinent to the administration of the traffic safety program. These policies should be reviewed periodically and serve as a guide to assist HSO staff and administrators in performing their assigned functions. All chapters contained herein pertain to the HSO.

The Colorado Department of Transportation, Office of Transportation Safety is responsible for developing and implementing the Governor's Highway Safety Program under Colorado Revised Statutes (24-42-101, et seq., C.R.S.). The primary goal of this program is to reduce traffic crashes, fatalities and injuries in Colorado through the coordinated efforts of State and local agencies, groups and associations.

The policies and procedures contained herein are included by reference and apply to all contracts and agreements administered by the Office of Transportation Safety and funded under Sections 154, 157, 164, 402, 405, 408, 410 and 411, Title 23, U.S.C.

Any differences between local policies and procedures and those contained herein will be resolved between the Director, Office of Transportation Safety, and the concerned party.

## D. FEDERAL LAWS AND REGULATIONS

The U. S. Congress authorizes traffic safety funds to be appropriated to the U.S. DOT, NHTSA. NHTSA apportions and distributes these funds to the States. NHTSA apportions and provides a limitation on obligations that indicates the amount of funds available for each State. The States liquidate these funds as documented through the annual State Highway Safety Plan (HSP) which is subject to NHTSA review and approval.

Federal regulations govern the daily administration of traffic safety grants at the State level. Administrators of traffic safety grants and their grantees shall be familiar with and follow each cited title and rule to effectively design and manage programs. Thorough knowledge of these regulations will reduce a majority of grant questions before they become problems.

i. Highway Safety Act of 1966

The State traffic safety program operates under the provisions of the Federal Highway Safety Act of 1966, 23 USC 402, et seq., specifically 402(b)(1)

The corresponding regulation contained in the Code of Federal Regulations (CFR), 23 CFR Part 1200.10 - 15 requires the State's Highway Safety Plan (HSP) to have certain features before it is approved. These features are contained in a number of Federal regulations and guidelines (See Appendix A. Federal Regulations, Documents and Guidelines). The Federal Highway Safety Act of 1966 makes the State's Governor responsible for preparing and administering a statewide traffic safety program designed to reduce traffic crashes and the resulting injuries, fatalities and property damage. The Governor has named the *Director* of the Colorado Department of Transportation to act as his or her representative for the State's traffic safety program. The HSO is located within the Office Director of the *Office of Transportation Safety*

The reauthorization of funding to support highway safety programs is a separate act. Most recently Congress enacted in 2015 the Fixing America's Surface Transportation (FAST) Act which will be effective for most behavioral safety programs with the FY2017 grant year. The Act contains funding authorization for five years beginning with 2016.

ii. OMB Uniform Guidance FY 2016 Grants

NHTSA grantees, including State Highway Safety Offices (SHSO), are responsible for following all standards in

2 CFR Part 200, as modified by 2 CFR Part 1201. The regulations at 2 CFR Parts 200 and 1201 supersede requirements from 23 CFR Parts 18 and 19 and OMB Circulars A-21, A-50, A-87, A-89, A-102, A-110, A-122, and A-133, beginning with the FY 2016 highway safety grants. Superseded circulars are available at *http://.whitehouse.gov/omb/circulars default/.* This guidance does not supersede any existing statute.

iii. Lobbying Restrictions

Lobbying restrictions are contained in two Federal laws. The Anti-Lobbying Act, 18 U.S.C., Part 1913, prohibits the use of Federal funds for "grassroots" lobbying campaigns that encourage third parties, members of special interest groups or the general public to contact members of Congress; of a State or local legislature; or an official of any government in support of or in opposition to a legislative, policy or appropriations matter. It applies to activities both before and after the introduction of legislation. These prohibitions apply to all DOT funds, including NHTSA funds awarded to States under grants, cooperative agreements and contracts. These prohibitions apply to State officials whose salaries are supported, in whole or in part, by NHTSA funds and to recipients of NHTSA funds awarded under contracts, grants cooperative agreements and sub awards.

The Transportation Equity Act for the 21st Century (TEA-21), which is unchanged by SAFETEA-LU and the most recent reauthorization Moving Ahead for Progress in the 21st Century Act (MAP-21), and the latest FAST Act, prohibits the use of NHTSA funds for "any activity specifically designed to urge a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body". These restrictions do not apply to State officials engaged in State-sanctioned communications with their legislatures, even if their salaries are supported, in whole or in part, with NHTSA funds. Any direct communications between State executive officials and State or local legislators properly are governed by the laws, regulations and customary practices in the State.

State and local officials and legislative bodies are authorized to invite Federal officials to testify before legislative bodies on pending legislation. Such invitations should be documented in writing.

These restrictions apply to subrecipients as well. Subrecipient certifications which are included with the notice to proceed (see Award Notification on OTS Shared Drive) must include a prohibition from using federal grant funds in violation of the lobbying restrictions. If any funds other than federal funds have been paid for by lobbying, the provisions of the federal Lobbying Disclosure Act of 1995, as amended (2 U.S.C. Part 1601) must be followed. For additional federal guidance, see NHTSA Guidance on Lobbying Restrictions. State officials and subrecipients may engage in advocacy activities as distinguished from lobbying. Such advocacy may include but not limited to: holding periodic briefings for elected officials, developing general materials about legislation such as fact sheets, sharing research reports with legislative staff, giving testimony upon request (unless prohibited by State restrictions) and involving elected officials in programs, meetings and press events.

iv. Internal Management Controls

The HSO Project Managers in conjunction with the Program Control Analyst have responsibility to reasonably ensure that: (a) programs achieve their intended results; (b) resources are consistent with agency mission; (c) programs and resources are protected from waste, fraud and mismanagement; (d) Federal laws and regulations are followed; (e) reliable and timely information is obtained, maintained, reported and used for decision making; and (f) reasonable measures are taken to safeguard protected personally identifiable information and other information designated as sensitive, see 2 CFR Part 200.303.

v. Other Applicable Office of Management and Budget Circulars

- Preambles. Preambles to final rules promulgated by the agency
- Generally Applicable Interpretations or Policy Statements Issued or Approved by the Agency Head (or designee).
- Letters to Specific Individuals or Entities. NHTSA posts these letters on the agency's website.
- Oral Guidance Statements by Senior Agency Officials.
- Grant Guidelines. These documents provide information about the agency's grant program criteria. They are published in the Federal Register for notice and comment and/or posted on the agency's website.
- Compliance Guides. Generally, compliance guides restate or summarize statutory and regulatory requirements to provide assistance to the public or regulated entities

A complete list of guidance can be found at https://www.whitehouse.gov/omb/circulars/

vi. Documents Available on the Internet

Most of the referenced Federal regulations and other cited procedural documents are available in the NHTSA Highway Safety Grants Management Resources which is on the Internet.

## E. STATE LAWS AND REGULATIONS

**STATUTORY AUTHORITY.** Under Colorado Revised Statues ***(24-42-101 through 24-42-104)*** the Office of Transportation Safety (OTS) is created within the Colorado Department of Transportation. Under Code of Federal Regulations; the Highway Safety Act of 1966 Title 23, Section 402, each state is required to have a highway safety program. The Colorado Highway Safety Program, including the Highway Safety Office (HSO), is managed within the Colorado Department of Transportation, Office of Transportation Safety. **The goal of the CDOT Office of Transportation Safety is to contribute to reducing the number of motor vehicle crashes, fatalities, injuries and the associated social and economic losses resulting from these crashes.**

1. Safety Program Responsibilities. The following powers, duties, functions and responsibilities are assigned to this program.

Identify and analyze the nature and complexity of traffic safety problems statewide.

In partnership with other state and local government agencies, along with not for profit organizations, and others; formulate both tactical and strategic plans to address these problems statewide.

Perform the powers and duties of the office of the coordinator of highway safety in dealing with the federal government with respect to federal highway traffic safety programs and transportation safety legislation.

Coordinate CDOT's traffic safety programs with the traffic safety activities of other state departments, institutions, agencies and political subdivisions.

Advise and report to the governor and the general assembly on transportation safety plans, activities and effectiveness.

2. State Safety Programs. Also authorized by statute are three state highway safety programs:

a. High Visibility Drunk Driving Law Enforcement (HVDDLE) (CRS 43-4-901)

b. The Motorcycle Operator Safety Training Program (MOST) (CRS 43-5-501-5)

c. Law Enforcement Assistance Fund (LEAF) (CRS 43-4-401)

Coordinate CDOT's traffic safety programs with the traffic safety activities of other state departments, institutions, agencies and political subdivisions.

Advise and report to the governor and the general assembly on transportation safety plans, activities and effectiveness.

# Chapter II
# Planning


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## II. Planning

### A. OVERVIEW AND ELIGIBLE FUND USES

Each Federal fiscal year (October 1 – September 30) the HSO shall develop an HSP (Highway Safety Plan) to qualify for Federal highway safety funding. The HSP is prepared and submitted by the HSO to the *Director of the Office of Transportation Safety of CDOT* for review and comment. Upon approval, the HSP is forwarded by the HSO to the *Executive Director of CDOT, who is appointed as the GR.* After all Department approvals have been obtained, the HSO submits the HSP to the National Highway Traffic Safety Administration (NHTSA), through the Grants Management Solutions Suite (GMSS) for approval. Federal approval of the HSP is in the form of a letter acknowledging that the State's submission of the performance plan, highway safety plan, certificates and assurances and cost summary complies with all Federal requirements. The HSP is due on July 1 annually and is submitted to NHTSA, through GMSS. The NHTSA Regional Office provides submittal instructions. A consolidated application process for the Section 402 program and six National Priority Safety Programs, codified into a single section as the Section 405 program, was established effective with the fiscal year 2014 application year. A seventh Section 405 program, Non-motorized Safety, was established by the Fixing America's Surface Transportation (FAST) Act effective with FY2017.

At the beginning of the HSP development process, the HSO considers a number of factors in determining project priorities and areas of emphasis. These factors are:

- Federal legislation and regulations
- State statutes
- Federal and national priorities and goals
- State and local problems

Other influences can be Federal and State legislative bodies, community-based organizations, local and national interest groups, State and local traffic safety related non-profit organizations and local governments. Projects can be proposed by members of any of these organizations, directly or indirectly. The key goal is to assure that all projects in the HSP are data driven as required by Federal law.

From time to time, Congress designates or earmarks Federal highway safety funds for specific purposes and uses. Projects developed in response to these earmarked funds must be data driven as well, with the earmarked funds dedicated to the areas of the State with the greatest threat to public safety.

Uniform Guidelines promulgated by the U.S. DOT Secretary list the eligible program uses:

- Speeding
- Occupant protection
- Alcohol or drug impaired driving
- Motorcycle
- Bicycle and pedestrian safety
- Aggressive, fatigued and distracted driving
- Driver performance
- Traffic records
- School bus safety
- Driver awareness of commercial motor vehicles (FY17)
- Emergency medical services (EMS).

The NHTSA interim regulations under MAP-21 eliminated the national priority areas. States may use grant funds more broadly in accordance with an HSP approved by NHTSA to address their traffic safety problems. These program areas then form the framework for providing detailed descriptions of the selected traffic safety projects**.**

By April 15, 2019, States must report serious injuries involving a motor vehicle (only) using the Model Minimum Uniform Crash Criteria (MMUCC) Guideline, 4th Edition. Until that date, States may use serious injuries coded as "A" on the KABCO injury classification scale through use of conversion tables developed by NHTSA. The IFR contains definitions of "serious injuries" and "number of serious injuries".

Prior to FY17, MAP-21 provided for two new uses for funds apportioned under Section 402. A State may use the funds in cooperation with neighboring States for highway safety programs or related projects that may confer benefits on neighboring States. And States could use Section 402 funds to assist in demonstration projects carried out by NHTSA under Section 403 research and development projects. For FY 17 however the FAST Act removed the language pertaining to demonstration projects and States are now allowed to use Section 402 funds for research projects.

## B. HIGHWAY SAFETY PLAN (HSP) DEVELOPMENT PROCESS AND CALENDAR

The HSP is required by the U.S. Department of Transportation (U.S. DOT), NHTSA regulations. The federal regulations outline the required contents of the HSP: planning process, performance plan, strategies and projects, performance report, program cost summary, certifications and assurances, Teen Traffic Safety Program and Section 405 grant application.

The HSP describes the processes used to identify the State's traffic safety problems, establish performance measures and propose the projects and activities the State plans to implement to reach its performance targets. Performance measures for each target track progress from a baseline toward meeting the target by the specified date. The State is required to also identify the participants involved in these processes (committees, stakeholders, constituent groups, etc.) The information and data sources utilized in these processes must be listed.

The HSP development process consists of a number of stages:

Problem identification Process, Date Used and Participants

Planning to select and prioritize targets and countermeasure strategies

Identification of performance measures

Participation from traffic safety related partners

Development of funding priorities, the Program Cost Summary and list of projects

Issuance of Requests for Proposal (RFP)

Review, negotiation and approval of grant agreements

Implementation

The HSO HSP is produced annually and is developed through discussions and meetings coordinated by the HSO. The HSO works with inter-agency groups, State and local government agencies, community coalitions and many others to develop the annual HSP. The initial planning meetings are attended by HSO staff only. These initial meetings allow for the review of prior year comments on prior activities (by Federal, State and local partners), the assignment of staff to draft the HSP program areas, the development of an initial budget and the production of rough drafts for each program area. Once an initial draft is produced, the HSP development meetings may be expanded to include other HSO traffic safety partners for solicitation of comments and input on potential strategies. Regional NHTSA and divisional FHWA representatives should be invited to meet with the HSO during the planning process to provide input and make recommendations early in the planning process.

### i. NHTSA Review, Approval and Appeal Procedures

The HSO is required to submit the HSP electronically to NHTSA no later than **July 1** preceding the fiscal year to which the HSP applies. The deadline is **FIRM.** NHTSA must approve or disapprove the HSP within 45 days after receipt. NHTSA may need to request additional information from the HSO regarding the contents of the HSP to determine whether the statutory requirements have been met. To ensure that the HSP is approved or disapproved, the HSO must respond promptly to any requests from NHTSA. Failure to respond promptly may delay approval and funding of the State's Section 402 grant, see 23 CFR §1200.12.

See NHTSA HSP Content Review Guide*: Note as of 2018 submission process has changed NHTSA may no longer use the Contest Review Guide

Section III is a series of questions for each program area which will be used when reviewing the SHSO's description of their data analysis process in the HSP. One of the items is whether the problem identification process includes a multi-cultural analysis. The SHSO should ensure that the HSP contains all of the pertinent descriptive information to demonstrate that all of the NHTSA review items have been considered and how they are being addressed.

Within 45 days, NHTSA will issue a letter of approval/ disapproval to the State's GR and may specify conditions. If the HSP is disapproved, the reasons will be specified. The HSO is then required to resubmit the HSP with the necessary modifications. NHTSA will notify the HSO within 30 days of receipt of the revised HSP, via a letter, whether the HSP is approved or disapproved. The decision of the Regional Administrator (RA) may be appealed by submitting a letter. The letter will be forwarded by the RA for consideration by the Associate Administrator, Regional Operations and Program Delivery, at NHTSA Headquarters. If the State's plan is not approved, NHTSA shall reduce the Section 402 funds by 20% of the amount that would otherwise be apportioned. The funds can either later be apportioned to the State when the plan is approved, or, if not approved, the funds will be apportioned to the other States.

Beginning in FY2014, the Section 405 grant application is consolidated with the HSP. NHTSA notifies States in writing, and specify any conditions or limitations, of Section 405 grant qualification before the start of the fiscal year of the grant and to notify States of grant award amounts early in the fiscal year. The decision of the NHTSA Administrator is final – there is no appeal process. Because the calculation depends on the number of States meeting the qualifications, States must respond promptly to NHTSA's requests for additional information. Failure to provide requested information may result in **disqualification** from receiving consideration for Section 405 grants, see 23 CFR §1200.14 (a).

ii. HSP Development Process Calendar

The following table illustrates a twelve-month planning calendar for the HSO HSP development process.

Table 1. HSP Development Process Calendar

| | |
|---|---|
| November-December | Closeout previous year programs and begin implementation of the current year's approved projects.<br>Set performance targets for HSO staff<br>Coordinate data and problem identification with the State's SHSP. |
| January -February | Host an annual planning conference with partners to obtain input.<br>Review program data and targets to determine funding distribution and overall direction of program. Consider the NHTSA regional response to the prior year's Annual Report, prior year HSP approval letter, and any applicable Management Assessment comments.<br>Distribute new Problem Identification document |
| March | Solicit RFP and/or continuation funding applications for multi-year grant funding cycle.<br>Determine revenue estimates from OFMB, establish draft budget and review internally. |
| April-May | Complete application review, Notify successful applicants, Send Denial notifications – process Reconsideration Requests<br>Convene program-area sessions with current and prospective subrecipients to create specific plans and outreach for projects within each program area.<br>Complete WBS template creation form of approved grants<br>State Yearend closeout – accrual process, roll-forward of programs |
| June | Draft the HSP including the Section 405 grant application for review by parent agency, NHTSA and program area experts. NEW GMSS PROCESS<br>Post subrecipient application on HSO web site. |
| July - August | Review, print and submit the HSP for NHTSA review and approval. Respond promptly to any requests for additional information.<br>Develop HSO in-house grants<br>Begin Purchase Order/Contract funding to ensure October 1 begin date of all programs |
| September | Print, distribute and post the approved HSP.<br>Begin closeout of current year projects<br>Schedule and complete Pre-work meetings with all grantees |
| October - November | Implement grants and contracts. Issue Notice to Proceed and award notification to selected grantees. Obligate funds to GTS<br>Establish and implement monitoring schedule for the year<br>Begin work on the Annual Report. |
| December 31 | Closeout fiscal year and prepare final cost summary<br>Submit annual report to NHTSA Regional Office |

## C. COORDINATION WITH THE STATE STRATEGIC HIGHWAY SAFETY PLAN

The HSO is structurally located within the Department Transportation in The Office of Transportation Safety is responsible for the development of the State's SHSP.

The HSO shall coordinate closely with the State staff responsible for development of the SHSP to maximize integration and utilization of data analysis resources, fully represent driver behavior issues and strategies, and utilize any statewide safety committees to obtain input from State and local traffic safety partners for the HSO HSP. The HSO shall ensure that the targets and objectives contained in the SHSP are considered in the annual development of the HSP and incorporated to the fullest extent possible. The HSO shall review the SHSP and HSP to identify any gaps in addressing driver behavior issues and eliminate any redundancy to ensure the maximum use of resources.

The State is required to include in the HSP a description of the efforts made by the State to coordinate the HSP, and the outcomes of the coordination, data collection and information systems with the State SHSP. Examples of outcomes might include the joint use of the same databases, common targets in the HSP as derived from the SHSP or the creation of joint teams to collaboratively develop countermeasure strategies.

Recent years in Colorado have seen a plateau in our crash and fatality incidents. While CDOT has become more strategic and data-driven in our programs and project selections, recent results remind us that we need to continue to be more comprehensive and responsive to contributing factors that are increasing crashes on our roadways. Fortunately, CDOT just completed coordinating a statewide, multi-disciplinary, and multi-stakeholder visioning effort to reduce crashes in Colorado – the Strategic Highway Safety Plan (SHSP). Colorado now embraces Toward Zero Deaths as our vision for transportation safety and has articulated goals to move forward starting this year. The Plan also articulates measures and specific action steps to monitor progress on our goals and ensure progress. Implementation of the SHSP through coordinated efforts of all the SHSP contributors will be CDOT's focus in the next year and up through 2019 to enact this plan and reduce fatalities and crashes on Colorado's roadways. We will accomplish this by expanding our safety partnerships and by providing tools for safety advocates to work in partnership with us. We will continue our strong relationships with local governments and law enforcement to make traveling through Colorado safer than ever before.

CDOT's Office of Transportation Safety and Traffic and Safety Engineering Branch, will continue to partner with the National Highway Traffic Safety Administration (NHTSA), Federal Highway Administration (FHWA), CDOT's Office of Communications, our CDOT Regions, and our local transportation safety partners, to move our Integrated Safety Plan forward. In so doing, we will save lives and reduce injuries and crashes and reduce the associated economic impact that are associated with them.

Beginning with grants awarded after FY2014, the performance measures common to the State's HSP and the State Highway Safety Improvement Program (HSIP) (fatalities, fatality rate and serious injuries) are required to be defined identically, as coordinated through the State's SHSP.

The statewide fatality rate is the primary means of measuring the Department's effectiveness in increasing safety for users of the state highway system. Providing a safe and secure transportation system is CDOT's highest priority. The fatality rate is the number of fatalities per 100 million Vehicle Miles Traveled (100 MVMT) on Colorado highways.D. Governors Highway Safety Association HSP Guidance

The GHSA represents agencies in each of the States and territories responsible for developing and managing statewide and local highway safety programs designed to reduce the human and economic consequences of crashes, injuries and fatalities experienced by the nation's road users.

To assist the States, the GHSA has developed guidance, see GHSA Guidance for Development Highway Safety Plans. The Guidance describes the required elements of the HSP as well as providing suggested processes for problem identification, data analysis, setting performance targets and developing and selecting performance measures.

The GHSA HSP Guidance is located on the GHSA web site in the Resources/Planning page. This page on the site also contains the GHSA Annual Report Guidance.

References to the applicable Federal regulations are provided in the GHSA HSP Guidance. The HSO may include additional analysis and information in the HSP at its discretion. In development of the annual HSP, the HSO shall follow and reference the GHSA HSP Guidance to assure that all of the federally mandated and recommended information and documentation of the HSP development process are addressed. For this purpose, an "HSP Quick Review Checklist" is the first item contained in the Guidance and should be used during and at completion of the draft HSP to ensure that all required elements have been included. The Interim Final Rule regarding the required content of the Highway Safety Plan (HSP) and Section 405 grant application is contained at *23 CFR Part 1300*. The regulations were significantly changed as a result of the enactment of the FAST Act.

This checklist consists of three columns:

SHSP Requirements**:** Column A lists the key SHSP requirements, by topic area, for the SHSP and the specific reference in the HSIP statute or regulation.

Indicators: Column B provides indicators that the State meets the requirement**.**

Requirement Status: Column C provides a place for the Division Office to document the determination for each requirement (meets or does not meet) and to document supporting information for whether the State has satisfied or not satisfied the requirement.

On May 23, 2016, NHTSA issued a new Interim Final Rule (IFR) at 23 CFR Part 1300, Uniform Procedures for State Highway Safety Grant Programs, which took immediate effect. Certain provisions of the IFR did not apply to FY2017 grants. However, for FY2018, although the IFR has not yet been finalized, the States have been advised by NHTSA to comply fully with 23 CFR Part 1300. This update of the Guidance includes the changes made to the HSP requirements by 23 CFR Part 1300 for FY2018 grants. The IFR had envisioned the HSP being submitted electronically by the States for FY 2018 using the Grant Management Solutions Suite or GMSS.

The transition to GMSS has been postponed and States will submit the FY2018 HSP in the same manner as for FY 2017. Should the IFR be finalized by NHTSA in the near future, additional changes to the Guidance may become necessary. Prior versions of the Guidance contained examples of acceptable formats and language taken from portions of Highway Safety Plans prepared by various States. This update of the Guidance does not contain any example sections because the IFR requirements for FY 2018 substantially changed. Examples which meet all of the FY 2018 IFR requirements are therefore not available for this year's Guidance

http://safety.fhwa.dot.gov/legislationandpolicy/fast/shsp_checklist.cfm

## D. GOVERNORS HIGHWAY SAFETY ASSOCIATION HSP GUIDANCE

To assist the States, the GHSA developed guidance, see, GHSA Guidance for Developing Highway Safety Plans. The Guidance describes the elements of the HSP as well as providing suggested processes for problem identification, data analysis, setting performance targets and developing and selecting performance measures.

The GHSA HSP Guidance is located on the GHSA web site in the Resources/Planning page. This page on the site also contains the GHSA Annual Report Guidance .

## E. IDENTIFICATION OF STATE AND LOCAL PROBLEMS (DATA ANALYSIS PROCEDURE)

A description of the data sources and processes used by the State to identify its highway safety problems is required in the HSP. The State is also required to identify the participants involved (committees, stakeholders, constituent groups, etc.). The information and all data sources utilized in these processes must be listed. The Core required performance measures should be examined as part of this initial problem identification process, see Sections F. and G. for information and further guidance.

The purpose of the HSP problem identification and assessment process is to:

Understand the scope of the State's traffic crash problem and causation factors

Develop effective countermeasures to reduce or eliminate the problems

Design evaluation mechanisms to measure changes in problem severity

Manage influencing factors by using statistical crash data to highlight a particular problem in order to obtain the necessary support for instituting an effective countermeasure

The problem identification process used by the HSO includes analysis of traffic safety data from established statewide sources. The process is completed in June by the *HSO Department Managers* and provided to the HSO staff for review. The statistics analyzed are historical data collected over time through a uniform process. These statistics include the:

**State traffic crash database - crash, vehicle, and person data**

**Data on average daily traffic counts and vehicle miles traveled**

**Federal Fatality Analysis Reporting System (FARS)**

Vehicle and Driver Information - the State's driver license, vehicle registration, and citation/conviction files

Trauma Registry *[if applicable]*, Injury data and EMS databases

Census and demographic data

The result of the HSO problem identification process is the establishment of the major traffic safety program areas in which to focus the State's efforts.

Data elements fall into three general categories: people, vehicles, and roadway. These categories may be broken down into subgroups and assigned relevant characteristics, as shown in the following table.

**Table 2. Categories of Traffic Safety Data**

| Data Category | Subgroups | Notes: |
|---|---|---|
| People | Drivers, occupants, pedestrians | Age, gender, blood alcohol level, driver's education experience and training |
| Vehicles | Passenger cars, trucks, buses, motorcycles, bicycles, etc. | Sedans, SUVs, convertibles, airbags, anti-lock brakes, electronic stability control |
| Roadway | Interstate, primary, secondary | Political subdivisions, lighting conditions, surface conditions |

Data subgroups should be reviewed to determine over-representation. Such over-represented subgroups indicate traffic safety problems. A good example is the high percentage of crashes among teenage drivers compared to the lower percentage of crashes among all drivers. Further analysis should focus on identifying subgroup characteristics (for example, increased severity) or any other specific factors suggested by the data when asking the traditional "who, what, where, why and how" questions.

Over-represented factors can be determined by comparing the rate of crashes for a subgroup or characteristic within the jurisdiction to the same rate in a comparable or larger jurisdiction. The rate may be expressed either as a percentage or a ratio.

***Percentage Example:*** If the percentage of adult vehicle occupants that do *not* use seat belts within a jurisdiction is greater than the statewide percentage, then that characteristic is over-represented.

***Ratio Example:*** Dividing night time (10 p.m. to 6 a.m.) crashes by the total number of crashes for the jurisdiction within a given time frame produces a ratio. If that ratio is higher than the statewide ratio, a driving while impaired (DWI) problem may be indicated since typically many night time crashes are DWI related.

Asking the following questions may help with data analysis and ultimately problem identification.

**Table 3. Questions to Help with Data Analysis and Program Identification**

| Question | Examples |
|---|---|
| Are high crash incidence locations identified? | Specific road sections, highways, streets, and intersections |
| What appears to be the major crash causation? | Alcohol, other drugs, speed, other traffic violations, weather, road condition |
| What characteristics are over-represented or occur more frequently than would be expected in the crash picture? | Number of crashes involving 16- to 19-year-olds versus other age groups, or, number of alcohol crashes occurring on a particular roadway segment as compared with other segments |
| Are there factors that increase crash severity which are or should be addressed? | Non-use of occupant protection devices (seat belts, motorcycle helmets, etc.) |

The following table shows an array of information that may be applied in the analysis of a crash problem.

**Table 4. Information That May Be Applied to Problem Analysis**

| Causal Factors: | Crash Characteristics: | Factors Affecting Severity: |
|---|---|---|
| violation | time of day | occupant protection non-use |
| loss of control | day of week | position in vehicle |
| weather | age of driver | roadway elements (markings, guardrail, shoulders, surface, etc.) |
| alcohol involvement | gender of driver | |
| roadway design | | |

HSO staff should be alert to the following factors that may impede effective problem identification and make appropriate adjustments when they appear:

Data access restrictions

Inability to link automated

Poor data quality

Reporting threshold fluctuations (variations among jurisdictions in the minimum damage or crash severity they routinely report)

Insufficient data (property damage only, non-reportable crashes, near misses, bicycle crashes, etc.)

## F. KEY PROGRAM AREAS, TARGETS AND STRATEGIES

Using the data and information gathered through the problem identification process, the HSO then selects key program areas for emphasis and coordinates the development of priority traffic safety performance targets, performance measures and strategies for each program area using a planning process documented in the HSP. See Section A. Overview for a list of the eligible program uses.

*i. Description of Target Setting Processes 23 CFR 1300.11*

The HSP is required to include a brief description of the processes used by the State to define its highway safety targets and develop projects and activities to address *its* problems and achieve its targets. The description of the process followed should be thorough and complete. In describing these processes, the State shall list the information and identify all data sources consulted. The State process for setting targets must be based on data trends and a resource allocation assessment. The HSO is required to identify all participants, agencies and organizations involved in the process and the manner in which they were involved must be described. Collaboration strategies should be included.

**ii. Performance Targets**

The performance plan is required to list the performance measures and data-driven targets the State plans to implement in the fiscal year. New this year, in order to meet the requirements of MAP-21, CDOT is required to annually set targets for Number of Fatalities, Fatality Rate per 100 Million VMT, Number of Serious Injuries, Serious Injury Rate per 100 Million VMT, as well as Number of Non-Motorized Fatalities and Serious Injuries. These first targets, to be set for 2018, are to be five-year rolling averages for 2014 -2018 based on the trend analysis of 2011 – 2016 existing data and will be assessed for progress by FHWA in 2019.

CDPHE and CDOT coordinated analysis of the crash data through various methods including Loess regression and a polynomial regression line in Excel to create best fit curves. Other models were examined in Excel including straight line, exponential, linear, logarithmic, and power, but the polynomial and loess regressions appeared to be the best fit model for the existing crash data. These analyses assisted CDOT in establishing predictions and future targets. What is interesting, and unfortunate, is that these models all predict significant increases in the crash numbers.

For performance targets that are common across DOT agencies, the projects that will be deployed to achieve those targets may be a combination of those projects contained in the HSO's HSP and other State and local plans. If so, it is required that the funds used to carry out the program area strategies from those other sources, including Federal, State, local and private sector funds, be identified in the HSP. Of the five measures, three must be identically set for NHTSA's Highway Safety Plan and FHWA's Highway Safety Improvement Plan - Number of Fatalities, Fatality Rate per 100 Million VMT, Number of Serious Injuries. This was done through collaborative statistical analysis by CDOT's HSO and Traffic and Safety Engineering Branch. The current proposed targets are as follows and will be finalized upon reporting to NHTSA in June and FHWA in August of 2017.

The Uniform Guidelines for State Highway Safety Programs promulgated by NHTSA describe the guidelines with which each State's programs must comply. The overall State goal is to reduce traffic safety related crashes, deaths and injuries.

**iii. Evidence-Based Countermeasure Strategies**

The CDOT HSP is organized by program area which will be organized in the same order that the performance measures and targets are listed in the performance plan. Although it is not necessary to restate the performance measures and targets, the HSO chooses to do so. Each task or activity is identified with the corresponding target the State intends to reach by selecting that countermeasure. This is done to clearly show that the selected activities and funding are directly related to the targets determined earlier through data analysis and problem identification.

The HSP is required, at a minimum, to describe one year of Section 402 and Section 405 countermeasure strategies and projects, and, identify funds from other sources, including Federal, State, local and private sector funds that the HSO plans to use for such projects or to achieve program area performance targets. In addition, the HSP is required to include a description of the projects that make up each program area that will implement the program area strategies.

The HSP is required to provide a description of the process used and participants consulted (ensure the correct disciplines are included) to develop and select evidence-based countermeasure strategies and projects to address its problems and achieve its performance targets. When aggregated, strategies should lead logically to overall statewide performance and be linked to the anticipated success of the countermeasures or strategies selected and funded in the HSP (23 CFR 1200.11(b)). In selecting the strategies and projects, HSOs should be guided by the data and data analysis supporting the effectiveness of the proposed countermeasures. There are a number of resources which may be helpful for accomplishing this task. See Countermeasures That Work: A Highway Safety Countermeasure Guide for State Highway Safety Offices, This NHTSA publication was originally prepared with the assistance of GHSA. The GHSA web site contains the latest version. The AASHTO Strategic Highway Safety Plan is supported by the NCHRP 500 guidebooks covering a variety of countermeasures. The guidebooks contain the recent scientific research and knowledge regarding countermeasures effectiveness. The guides are posted at this web site http://safety.transportation.org which contains other tools developed for the implementation of the plan.

A complete listing of the HSP program areas with their respective and applicable Federal two - or three -letter alpha character accounting code designators is available (See Appendix C. HSP Program Area Accounting Code Designators).

**iv. Evidence-Based Traffic Safety Enforcement Program** The HSP is required to include a description of the evidence-based (data driven) traffic safety enforcement program which will be implemented during the year by the HSO to prevent traffic violations, crashes, and crash fatalities and injuries in areas most at risk for such incidents. At a minimum, the State is required to provide: (i) an analysis of crashes, crash fatalities, and injuries in areas of highest risk; (ii) deployment of resources based on that analysis; and (iii) continuous follow-up and adjustment of the enforcement plan. The SHSO may either develop a comprehensive enforcement program which covers all program areas, or, provide a separate enforcement program in each applicable program area. If a comprehensive enforcement program is developed, a reference to the applicable page within the HSP should be made in each program area. The SHSO must specifically describe within this section(s) the SHSO's planned process for ensuring that there will be continuous follow up and adjustment of the enforcement plan(s) by the SHSO during the fiscal year.

**v. National Mobilizations**

The HSP is required to include in the HSP a description of the HSO's planned high visibility enforcement strategies to support national mobilizations (which is referenced in 23 CFR Part 1200, Appendix A, Section 402 Certifications and Assurances).

The FAST Act requires not less than 3 high-visibility enforcement campaigns, (currently CDOT does 12) be carried out in each of fiscal years 2016 through 2020 related to not less than 1 of the following objectives: reduce alcohol-impaired or drug impaired driving or increase seatbelt use.

## G. PERFORMANCE MEASURES

The performance plan of the HSP must state a performance measure for each HSO target to track progress from a baseline toward meeting the target by the specified date using absolute numbers, percentages or rates. Performance measures are reviewed and updated each year, when necessary. The purpose of measuring performance is to determine whether programs are working and to what extent.

In the State's performance plan section of the HSP, each target is required to be accompanied by at least one performance measure that enables the State to track progress from a specific baseline toward meeting the goal (e.g., a goal to "increase seat belt use from XX percent in 20XX to YY percent in 20XX," using a performance measure of "percent of restrained occupants in front outboard seating positions in passenger motor vehicles"). The most recently released State and FARS data shall be used by the State. See 23 CFR Part 1300.11. The HSO project managers are responsible to ensure that every application includes measurable goals and activities. These evaluation measures will be included on all NHTSA ISP templates and, therefore, included in the HSP.

**Core Performance Measures**

Beginning with MAP-21, 11 Core performance measures developed by NHTSA in collaboration with GHSA and others, described in Traffic Safety Performance Measures for States and Federal Agencies (DOT HS 811 025) are required to be used as a minimum in developing the State's performance measures and targets. Therefore, it is essential to examine each of these measures as part of the initial problem identification process. There are also three activity measures which must be reported annually. The measures are:

OUTCOME AND BEHAVIOR MEASURES

Fatalities (actual-FARS)

Number of serious injuries (State crash file)

Fatality rate per 100M VMT (FARS, FHWA)

Number of unrestrained passenger vehicle occupant fatalities, all seating positions (FARS)

Number of fatalities involving driver or motorcycle operator with .08 BAC or above (FARS)

Number of speeding-related fatalities (FARS)

Number of motorcyclist fatalities (FARS)

Number of unhelmeted motorcyclist fatalities (FARS)

Number of drivers age 20 or younger involved in fatal crashes (FARS)

Number of pedestrian fatalities (FARS)

Number of bicyclist fatalities (FARS) (FY15)

Percent observed belt use for passenger vehicles – front seat outboard occupants (State survey)

ACTIVITY MEASURES

Number of seat belt citations issued during grant-funded enforcement activities (grant activity reports)

Number of impaired driving citations issued and arrests made during grant-funded enforcement activities (grant activity reports)

Number of speeding citations issued and arrests made during grant-funded enforcement activities (grant activity reports)

Program areas outside of the GHSA-NHTSA Core performance measures may be included if sufficient justification for addressing those issues has been established in the problem identification process and appropriate performance measures have been developed by the State, such as, distracted driving and bicycle safety.

PERFORMANCE MEASURES (and corresponding performance targets) are required to be developed for each program area that receives funding by the HSO. If the HSO intends to fund programs outside the Core measures, for each of these other programs, performance measures are required as well as: (i) documentation of current safety levels; (ii) quantifiable annual performance targets, and; (iii) justification for each performance target that explains why the target is appropriate and data driven.

NOTE: Beginning with grants awarded after FY2014, the performance measures common to the State's HSP and the State Highway Safety Improvement Program (HSIP) (fatalities, fatality rate and serious injuries) are required to be defined

identically, as coordinated through the State's SHSP. The State's annual targets are required to support the longer range SHSP targets.

A performance measure is an indicator to express the activity that will be used to establish a performance target and must be directly aligned to the target(s) of a project. Performance measures when combined with the performance target provide the basis for determining the degree of achievement of established targets. Acceptable activity levels or outputs shall be established as part of each grant agreement.

There are two common types of performance measures: direct and proxy. *Direct measures* are preferred. Examples of direct measures include: number of crashes, citations, people trained, units purchased, etc. Sometimes it is impossible to obtain direct measures. If such is the case, a proxy measure might be used. *Proxy measures* are indicators that provide an indirect assessment of desired activity. An example is a self-reporting survey conducted among a statistically valid sample of the population to determine behavioral change (recognition of public service announcements on television or radio, seat belt usage, impaired driving issues, etc.).

The characteristics of a good performance measure are that it is:

Quantifiable where possible

Directly linked to objectives

Accurate and clearly defined

Understandable

Objective

Practical

For a more detailed explanation of the measures, see: GHSA/NHTSA Frequently Asked Questions on Performance Measures.

Within the HSO, responsibility for development and review of the annual performance measures is assigned to the program manager(s) in conjunction with the Department Managers and is a requirement for each approved application and will be included in the NHTSA ISP document.

## H. SECTION 405 APPLICATION INFORMATION-APPENDIX D

Beginning with FY2014, there is a single application deadline for all highway safety grants including the traditional Section 402 program and incentive grant programs. The National Priority Safety Programs, or incentive grant programs, are codified in a single section, 23 CFR 405 and referred to as Section 405. These programs include: Occupant Protection, State Traffic Safety Information Systems (Traffic Records), Impaired Driving Countermeasures, Motorcyclist Safety, Distracted Driving, State Graduated Driver Licensing and for FY17 a new program, Nonnotarized Safety.

The Interim Final Regulations (IFR) issued in January 2013, in the Federal Register to implement MAP-21 are posted by NHTSA at **Part 1200 Uniform Procedures for State Highway Safety Programs**. The specific requirements are detailed in the IFR for States who want to make application for any of the Section 405 grant programs. the FAST Act effective with FY17 grants generated a substantial number of changes and is documented under 23 CFR 1300

Within the IFR and electronically provided by NHTSA, is a required template (Appendix D) for States wishing to apply for these grant programs. As part of the Section 405 application, the State is required to provide specific information which varies depending on the National Priority Safety Program incentive grant(s) for which the State wishes to receive funding consideration. This information may either be provided as attachments to the HSP or be included within the HSP. In some instances, the information is lengthy or is contained in a separate document that may be available electronically on the internet. In those instances, the only practical method to include the information is as an HSP attachment or an electronic link. However, the IFR should be referenced to determine specific requirements.

Although a consolidated Section 402 and Section 405 application is required to be submitted by the SHSO, it is recommended that the SHSO prepare separate sections within the HSP for Section 402 and for Section 405. The Section 402 application is reviewed by the NHTSA Regional Office. The program portion of the Section 405 application is reviewed by a NHTSA Team and the legal requirements are reviewed by the NHTSA legal counsel. In order to avoid providing redundant information in the Section 405 portion, the SHSO may provide reference to the pertinent page number(s) within the HSP where the required information can be located. The shared information typically related to the program area, such as, problem identification, data analysis, performance measures and performance targets.

At the end of each program area, the HSO may include two separate Program and Budget Summaries for each program area: one for the projects to be funded by Section 402 and other funding sources and one for the projects that would be funded under the Section 405 grant program. Or, the HSO may decide to provide a combined Program and Budget Summary which includes all projects within the program area and identifies the appropriate funding source within the table.

i. Maintenance of Effort (MOE)

Beginning FY17, for MOE the HSO shall provide a certification that the lead State agency responsible for those traffic safety programs is maintaining aggregate expenditures at or above the average level of such expenditures in the two fiscal years prior to the date of enactment of the FAST Act. (FAST act enacted 12/2015) MOE average expenditure years will be 2013 and 2014

MOE: For projects funded with Section 405 (b), (c) or (d) funds which also have a State funding source which was included by the State in their annual MOE calculations, the amount of that MOE would need to be identified with the project. If the project is not receiving State funds which are counted in the MOE or the State funds going into the project were not part of the MOE calculation, the project must be identified as "$0 MOE" or "MOE not applicable" (an affirmative statement is needed).

CDOT has been named the lead agency for MOE documentation compilation and record retention for all MOE dollars reported from the numerous agencies.

WAIVER: There is a one-time exception allowed for the HSO to request a MOE waiver which is typically for fiscal and natural disasters.

ii. Planning and Administration (P&A) Costs

No P&A costs are allowed from Section 405 grant funds.

P&A can be included in 402 funds not to exceed 10% of funding. CDOT HSO funds XXXNHTSA402.9701 at $300,000 approximately 10% of the estimated $3.6 million funding each year.

iii. Eligible Uses of Section 405 Funds

The eligible uses of grant funds awarded under Section 405 is dependent upon the specific program and fiscal year for which funds are awarded and shall be limited to the following, see 23 CFR Part 1300.21 - 26:

| **Section 405 Program** | **Eligible Uses and Limitations** |
|---|---|
| Occupant Protection (OP) §1300.21<br><br>Lower Use States cannot use Section 405 funds for OP Assessments. High Use States can use Section 405(b) funds for Section 402 activities including OP Assessment costs. | High Use States: Up to 75% *prior to FY 17* and 100% for FY17 for any project or activity eligible for funding under 23 USC 402 and the balance for the OP projects below.<br>Lower Use States – only the following:<br>- High-visibility enforcement mobilizations including paid media that emphasizes publicity for the program and law enforcement<br>- Training OP safety professionals, police, fire and EM personnel, educators and parents concerning all aspects of the use of child restraints and OP<br>- Educating the public on the proper use and installation of child restraints including related equipment and information systems<br>- Providing community CPS services including programs on proper seating positions for children and how to reduce the improper use of child restraints<br>- Establishing and maintaining information systems containing data concerning OP including the collection and administration of CPS and OP surveys, and,<br>- Purchasing and distributing child restraints to low-income families provided not more than 5% of the funds received in a fiscal year are used for such purpose |
| Traffic Records §1300.22<br>(no change for FY17) | 100% to make quantifiable, measurable progress improvements in the accuracy, completeness, timeliness, uniformity, accessibility or integration of data in a core highway safety database |
| Impaired Driving (AL) §1300.23<br><br>For formula grant States (identified as low, mid or high range) Section 405 funds cannot be used for AL Assessments.<br><br>*Prior to FY 17* see NHTSA Q&A August 2014 on Sect.405 (d) Use of Funds for drug-impaired driving programs. *Programs | Low Range State:<br>- For FY17, up to 50% for Section 402 eligible projects<br>- High-visibility enforcement (HVE) efforts<br>- *Hiring a full-time or part-time AL coordinator<br>- Court support of HVE efforts, training and education of CJ professionals to assist in handling AL cases, hiring traffic safety resource prosecutors, hiring judicial outreach liaisons and establishing DWI courts<br>- *Alcohol ignition interlock programs |

| **Section 405 Program** | **Eligible Uses and Limitations** |
|---|---|
| specific to alcohol impairment only unless using catchall problem ID category. For FY17, funds may be used for alcohol, drug or both, programs | - *Improving BAC testing and reporting<br>- Paid and earned media in support of HVE of impaired-driving laws and conducting SFST training, ARIDE training and DRE training for law enforcement, equipment and related expenses used in connection with impaired driving enforcement<br>- *Training on the use of alcohol screening and brief intervention<br>- For FY17 training for and implementation of impaired driving assessment programs for identifying recidivism or mental health/substance abuse treatment<br>- Developing impaired driving information systems<br>- Costs associated with 24 – 7 sobriety programs<br>- Programs designed to reduce impaired driving based on problem ID (catchall for **any** program that covers impairment from AL or drugs provided the State has justification through problem ID)<br>Mid-Range State: Any of the programs listed for Low Range States IF advance approval is received from NHTSA<br>High Range State: Any of the programs listed for Low Range States IF the proposed uses are described in a statewide AL plan submitted to and approved by NHTSA prior to incurred expenses or vouchers submitted. See §1200.23 penalties for failure to timely provide the AL plan. |
| Ignition Interlock §1300.23 (4) | For any authorized use described in §1200.23 AL<br>For any eligible project or activity under Section 402 including AL Assessments and drug-impaired driving programs |
| FY 17<br>24/7 Program | For any authorized use described in §1200.23 AL<br>For any eligible project or activity under Section 402 including AL Assessments and drug-impaired driving programs |
| Distracted Driving (DD) §1300.24<br>Additional limited DD grants available for FY17 and FY18 | At least 50% to educate the public through advertising concerning information about the dangers of texting or using a cell phone while driving, for traffic signs that notify drivers about the DD State law or for law enforcement costs related to DD law enforcement<br>Not more than 50% for any eligible project/activity under Sec. 402 and for FY17 not more than 75% if the State has conformed its distracted driving data to the most current MMUCC |
| Motorcyclist Safety (MC) §1300.25 (Territories not eligible)<br>Note: A State that receives a MC grant may sub allocate funds to a nonprofit organization incorporated in that State to carry out grant activities under this section. | Improvements to MC training curricula<br>Improvements in program delivery of motorcycle training to both urban and rural areas including (A) purchase or repair of practice motorcycles; (B) instructional materials; (C) mobile training units; (D) leasing or purchasing facilities for closed-course motorcycle skill training<br>Measures designed to increase recruitment or retention of MC training instructors, and,<br>Public awareness, PSAs and other outreach programs to enhance driver awareness of motorcyclists<br>FY17- allows up to 50% for any eligible project or activity under Section 402 if State qualifies under specific performance criteria |
| Graduated Driver Licensing (GDL) §1300.26 | *Prior to FY17:*<br>At least 25% in connection with the State's GDL law to: (i) enforce the GDL process; (ii) provide training for law enforcement and other relevant State agency personnel relating to enforcement of the GDL process; (iii)publish relevant educational materials that pertain to the State's GDL law directly or indirectly; (iv) carry out administrative duties to implement the GDL process; or, (v) carry out a teen traffic safety program described in 23 USC 402 (m)<br>Not more than 75% for any eligible project/activity under Sec. 402<br>FY17 – Up to 100% for any eligible project or activity under Section 402 if the State qualifies under specific performance criteria |
| Nonmotarized Safety | Training of law enforcement officials on State laws applicable to pedestrians and bicycle safety<br>Enforcement mobilizations and campaigns designed to enforce State traffic laws applicable to pedestrians and bicycle safety<br>Public education and awareness programs designed to inform motorists, pedestrians and bicyclists of State traffic laws applicable to pedestrians and bicycle safety |

iv. NHTSA Section 405 Award Determinations and Appeals

After reviewing applications and making award determinations, NHTSA shall, in writing, distribute funds available for obligation to qualifying States and specify any conditions or limitations imposed by law on the use of the funds. Beginning

with FY17, NHTSA is required, within 60 days after the date of the Section 405 awards, to make publicly available on the U.S. DOT website an identification of the States awarded grants, the States that applied and were not awarded grants, the States that did not apply for a grant and a list of the deficiencies that made a State ineligible for a grant.

Grant awards are subject to the availability of funds. If there are insufficient funds to award full grant amounts to qualifying States, NHTSA may release interim amounts and release the remainder, up to the State's proportionate share of available funds, when it becomes available in the fiscal year. See 23 CFR §1200.61. The Section 405 application review is a final decision of the NHTSA Administrator and is not subject to appeal.

## I. PERFORMANCE REPORT

Within the HSP, the HSO is required to provide a program-area level report on the State's success in meeting its performance targets which were identified in the previous fiscal year's HSP. NHTSA has provided the States with a suggested template for reporting this information. At a minimum the State should provide an update on the previous year's performance measures and targets using the most recent data available. This could be in the form of an update of the performance measures matrix from the previous year.

NOTE: This is NOT the same level of information which is required of the States to provide in the comprehensive Annual Report (AR) under 23 CFR 1300.33. This is a much briefer status report focusing mainly on the prior year's results for the State's Core performance measures.

## J. TEEN TRAFFIC SAFETY PROGRAM – APPENDIX C

Colorado allocates funds to Teen Traffic Safety Program for statewide efforts to improve traffic safety for teen drivers. It is optional for the State to elect to incorporate a statewide program as an HSP program area in accordance with Title 23 Section 402 (m). Beginning with FY17 as provided in the FAST Act, there are two new uses of funds allowed for this program. (GDL and Non-Motorized training)

If the State chooses to do so, a description of the strategies and projects it intends to conduct is required to be included in the HSP as well as assurances which must be signed by the GR, that the program meets the statutory requirements. The template provided in Appendix C of Part 1200 is required to be used by the HSO, see 23 CFR Part 1300 Uniform Procedures for State Highway Safety Programs.

## K. PUBLIC OUTREACH

To the extent possible, the State should summarize information that shows an understanding of the major highway safety activities of other agencies and organizations and how the HSO is collaborating with other agencies and partners. One method used by many States to reach their constituency groups is a pre-proposal application conference or meeting.

The HSO strives to prevent the loss of life, personal injury, and property damage caused by traffic crashes and to reduce the resulting economic losses to the residents of the State. The efforts necessary to reach these goals require partnering with public agencies and special interest groups to foster the sense of cooperation vital to accomplishing the mission. This includes:

Inter-Agency Working Groups: The HSO makes effort to promote inter-agency cooperation relating to highway safety issues using the resources of various State departments and agencies to the best advantage possible.

Community Coalitions: The HSO encourages the development of community-based coalitions in order to engage citizen involvement in the health and safety of communities.

Pedestrian, Motorcyclist and Bicycle Safety Groups.

## L. FUNDING AND THE PROGRAM COST SUMMARY- APPENDIX B

The U. S. Congress authorizes traffic safety funds to be appropriated to the U.S. DOT, NHTSA. NHTSA apportions and distributes these funds to the States. The States obligate these funds through the annual HSP which is subject to NHTSA review. Any earmarked or special purpose funds shall be used only in that particular program area and cannot be transferred to any other program area. When developing the HSP, new revenue estimates for each funding source are obtained annually from the NHTSA Regional office by the HSO typically in the first quarter of the calendar year for the following fiscal year. This information along with estimated prior year unexpended funds is used to develop the estimated total highway safety funding available for the upcoming fiscal year.

The HSO *Department Managers are* responsible for annually allocating the estimated amount of revenue by program area for the HSP budget based on the information gathered in the problem identification, performance target and strategy processes to assure the greatest potential impact on the State's overall goal of reducing traffic safety related crashes, deaths and injuries. The process for making the budget allocation decision should be documented in the HSP.

Beginning in FY2014, the State annually submits a consolidated application for Section 402 funds and Section 405 funds for the National Priority Safety Program Grant programs. The HSO may also receive penalty transfer funds. Planned funds are subject to revision depending on the actual amount of funding received by the State.

i. Program Cost Summary Form (HS 217) Appendix B

The Program Cost Summary Form (HS 217) or its electronic equivalent is required annually. A template and specific instructions for completing the HS 217 or the electronic equivalent is provided in Appendix B of 23 CFR Part 1200 Uniform Procedures for State Highway Safety Programs and is required to be used by the HSO. The Summary provides the State's proposed allocations of funds (including carry-forward funds) by program area based on the targets and activities identified in the HSP and the projects and activities. The funding level used shall be an estimate of available funding for the upcoming fiscal year.

In addition to the cost information, Appendix B requires other information be provided (State name, number, date and the names and titles of State and Federal authorizing officials). Appendix B is not required to be signed. The HSO has the option of completing a HS Form 217 or its electronic equivalent; the other sections in Appendix B should be provided as part of the complete certification document (HSP).

ii. List of Projects

For each program area the HSO is required to include a list of projects and an estimated amount of Federal funds for each project that the State proposes to conduct for the upcoming fiscal year to meet the identified performance targets. The SHSO ensures the accuracy of the project list by using a cross referencing process between the HSO and CDOT Grant Accounting. All projects identified on the list must be described within the HSP. The HSO may also provide this information as a separate list from the HS 217 even if other information is included as long as the required level of detail is provided and the aggregate of the project level funds matches the total funding in that program area. The CDOT HSO reports at the project level in the Grant Tracking System (GTS), this will satisfy the project list requirement providing the information in GTS meets the requirements of 23 CFR 1200.11, 1200. 15, 1200.32 and 1200.33

iii. Changes and Updates to the HS-217

The HS-217 is required to be resubmitted by the HSO to the NHTSA Regional Office within 30 days of any reallocation of funds between program areas or changes including an updated list of projects under each program area. The amended HS-217 and list of projects is subject to the approval of the NHTSA Regional Office, see 23 CFR Part 1200.32.

Prior to and as a condition of reimbursement, the project list is also required to be **updated** to include identifying project numbers for each project on the list. (This may also be necessary if the project numbers are not available at the time of submitting the HSP for NHTSA approval.)

iv. Highway Safety Improvement Program Funds and Other Funding Sources

Prior to FY17, if the State has shifted Highway Safety Improvement Program (HSIP) funds from the State DOT to the HSO, programs funded with those monies are required to be identified in the HSP. Beginning with FY17, and new obligations of HSIP carryforward beginning on the effective date of the FAST Act, HSIP funds may no longer be used for behavioral safety programs. NOTE: The HSO is also required to identify funding from other sources (Federal, State, local and private sector) for projects that the HSO considers necessary to reach the performance targets identified in the HSP, see 23 CFR 1200.11 (c) (1). This is especially true of State designated funds and major projects where the HSO is directly partnering with agencies to achieve a target included in the HSP. However, it is not necessary for the HSO to search out every activity of that type within the State which may possibly be taking place.

v. Planning and Administration Costs

Planning and Administration (P&A) costs are those direct and indirect expenses that are attributable to the overall management of the State's HSP. Costs include salaries and related personnel benefits for the GRs and for other technical, administrative and clerical staff in the SHSOs. P&A costs also include office expenses such as travel, equipment, supplies, rent and utilities necessary to carry out the functions of the SHSO. Targets and objectives for the P&A program should also be developed in a similar manner as for the other program areas.

The tasks and related costs for Planning and Administration (P&A) are required to be included in a P&A program area within the HSP (see NHTSA402.9701). There are definitions of P&A eligible costs, limitations on the federal share of total P&A costs and sources of funds, and, limits on the amount of funds that can be spent on P&A programs. If the State is using HSO indirect costs as P&A match, such costs can only be applied to P&A expenditures. See Chapter IV. Grant Selection and Execution, Section H. Development of Highway Safety Office Internal Grants for additional information.

Beginning in FY2014, the limit on the amount of Section 402 funds that can be spent on P&A increased from

10 percent to **13 percent** of the total new 402 funds and Section 402 P&A carry forward funds programmed for expenditure in the upcoming HSP. The P&A funds must be declared the first year and any unexpended balance tracked as carry forward in P&A. Funds designated as P&A may be moved back to program purposes but not back to P&A. No P&A costs are allowed from Section 405 grant funds.

vi. Automated Traffic Enforcement Systems Prohibition and Survey

The HSO may not expend funds apportioned under Section 402 to carry out a program to purchase, operate or maintain an automated traffic enforcement system with the exception of school zones. The prohibition includes any camera which captures an image of a vehicle for the purposes only of red light and speed enforcement. NOTE: This does not include hand-held radar and other devices operated by law enforcement to make an on-the-scene traffic stop, issue a traffic citation or other enforcement action at the time of the violation. See also Chapter VI. Fiscal Procedures, Section E. Allowable Costs. Beginning with FY17, the FAST Act requires States with automated traffic enforcement systems to use Section 402 funds to conduct a biennial survey that lists the systems in the State, data to measure transparency, accountability and safety, and, a comparison of the systems to U.S. DOT guidelines on Speed Enforcement and Red Light Running.

vii. Motorcycle Checkpoint Funding Prohibition

For FY17 and beyond, the FAST Act prohibits the HSO from expending NHTSA grant funds for any program to check motorcycle helmet usage or to create check points that specifically target motorcycle operators or motorcycle passengers.

viii. Apportionment and Obligation of Federal Funds

The funds distributed are available for expenditure by the State to satisfy the Federal share of expenses under the approved traffic safety program, and shall constitute a contractual obligation of the Federal Government, subject to any conditions or limitations identified in the distributing documentation. Reimbursement of State expenses shall be contingent upon the submission of an updated HS Form 217 (or its electronic equivalent) within 30 days after either the beginning of the fiscal year or the date of the written approval required under 23 CFR 100.41, whichever is later. The updated electronic HS Form 217 shall reflect the State's allocation of funds made available for expenditure during the fiscal year including known carry forward funds under 23 CFR 1200.15. Vouchers that request reimbursement for projects whose project numbers or amounts claimed do not match the list of projects (submitted by the HSO) or exceed the estimated amount of Federal funds provided under 23 CFR §1200.11 (e), or exceed the allocation of funds to a program area in the HS Form 217 shall be rejected, in whole or in part, until an amended list of projects and/or estimated amount of Federal funds and an amended HS Form 217 is submitted to and approved by the NHTSA Regional Office in accordance with 23 CFR §1200.32.

In the event that authorizations exist but no applicable appropriation act has been enacted by Congress by October 1 of a fiscal year the NHTSA Administrator shall, in writing, distribute a part of the funds authorized under 23 USC Chapter 4 contract authority to ensure program continuity and shall specify any conditions or limitations imposed by law on the use of the funds. Upon appropriation of Section 402 funds, the NHTSA Administrator shall, in writing, promptly adjust the obligation limitation and specify any conditions or limitations imposed by law on the use of the funds. See 23 CFR § 1200.15 (b).

Within the HSO, responsibility for development of the estimated annual HSP budget is assigned to the *Department Managers.* The required HS Form 217 Cost Summary form, list of projects and any necessary revisions are prepared by the *HSO Department managers* for approval by the HSO Administrator and inclusion in the HSP submitted annually to NHTSA.

Disposition of Unexpended Balances – 23 CFR Part 1300.41

Section 402 and Section 405 grant funds are authorized for apportionment or allocation each fiscal year. States should, to the fullest extent possible, expend these funds during the fiscal year. When developing the annual HSP funding plan, the SHSO must be aware of the limitations placed upon the length of time that the funds are available. Grant funds are available for expenditure for three years after the last day of the fiscal year of apportionment or allocation (referred to as "three years plus one"). NOTE: During the last year of availability of funds, NHTSA will notify States of unexpended grant funds subject to this requirement not later than 180 days before the end of the period of availability. The State may then commit the unexpended grant funds to a specific project before the end of the period of the availability. The funds committed to a specific project must then be expended before the end of the succeeding fiscal year and only on that project. At the end of that time period, unexpended grant funds will lapse and NHTSA will deobligate unexpended balances, see 23 CFR Part 1300.40. This process will begin with FY13 MAP-21 funds which must be committed by September 30, 2016, and spent by September 30, 2017.

**Risk Assessment**

The SHSO must be prepared to fully comply with the OMB Uniform Guidance requirement regarding risk assessment found at 2CFR Part 200.331(b). A State must conduct and document a risk evaluation for each subrecipient receiving NHTSA funds prior to making the grant award. Each subrecipient's risk of noncompliance with Federal statutes, regulations and the terms and conditions of the sub award should be determined for purposes of identifying the appropriate subrecipient monitoring. See the GHSA Monitoring Advisory for further information and Pre-Award Risk Assessment sample forms.

## M. BENEFIT TO LOCALS

States are required to ensure that at least 40 percent of all (new) Federal funds apportioned under Section 402 for any fiscal year is **expended*** by the political (local) subdivisions of the State, including Indian tribal governments, in carrying out local highway safety programs. A State may request a waiver. These local highway safety programs must be approved by the Governor and operated in accordance with the minimum standards established by the Secretary under Section 402. See 23 USC Chapter 4, Section 402(b) and Appendix E to 23 CFR Part 1200 - Participation by Political Subdivisions.

When sub grants are directed to State agencies and local benefit is claimed, the HSO Project Manager shall ensure that local benefit source documentation is readily available on site including evidence of an active local voice in the initiation, development and implementation of the programs. There are exceptions for a political subdivision which has not had an active voice but agrees in advance of implementation to accept or requests the benefits of the program. Evidence of the acceptance or request must be established in writing and maintained on file until all such funds are expended.

When the State proposes to use the salary and benefits of a State employee toward meeting the 40 percent requirement, the State should ensure that the required documentation is in place before any work is carried out and that it evidences that the local government consented and accepted the work of the State employee on its behalf. Refer to the Local Benefit guidance issued by NHTSA on December 1, 2011, for a description of the type of activities that may be considered.

With regard to State expenditures, such as State Highway Patrol/Police enforcement or statewide paid media, the State may designate such expenditures as benefiting local government to meet the 40 percent requirement. The HSO may credit such expenditures only where the political subdivision has had either an active voice, or agreed in advance of implementation to accept the benefits of the program. And, the active voice or pre-agreement must be documented annually in writing from the local government.

***NOTE:** The HSO is required not only to obligate 40 percent of the Section 402 funds to the benefit of locals but must also ensure that the required percentage of funds is actually expended to the benefit of locals. This requires the HSO to periodically monitor local grant expenditure rates during the fiscal year. Each voucher entered into the Federal Grant Tracking System (GTS) shall provide the dollar amount of Federal funds for each program area which was allocated to local benefit at least at mid-year (by March 31) and with the final voucher at fiscal year closeout. If at March 31 the percentage of local benefit reported appears to be significantly low, further research should be done to determine the cause including slow vouchering by subrecipients or an insufficient number or dollar amount of local sub grants. See Appendix E to 23 CFR Part 1200 for more details on the specific requirements.

**Use of Transfer Funds for Section 402 Purposes-Benefit to Locals:** 164 transfer funds obligated and spent on alcohol-impaired driving countermeasures (not hazard elimination) or directed to State and local law enforcement agencies for the enforcement of impaired driving laws or regulations (154AL and 164AL) take on the characteristics and requirements of the Section 402 program. No matching funds are required for these transfer funds; per Section 154 (c) (4) and Section 164 (b) (4), the Federal share of the project cost shall be 100 percent. However, at least 40 percent of the annual 154AL and 164AL funds must be used by or for the benefit of political (local) subdivisions of the State. Local benefit applies to 157 and 163 Incentive funds if they are used as 402 funds. (Note: BIA local benefit is 95%) See NHTSA Highway Safety Grant Funding Guidance Part II.A.1 and Appendix A. Section 163 Guidance and Section 154/164 Guidance.

## N. TRANSFER FUNDS

An annual determination is made by the U.S. DOT FHWA regarding the State's inability to enact or enforce specified State traffic safety laws or policies to address a program area as prescribed by the U.S. Congress in the current reauthorization. Information regarding the State's laws and policies is requested by the U.S. DOT to determine the State's eligibility. The State is notified annually through FHWA's Advance Notice of Apportionments (July 1) and FHWA's Final Notice of Apportionments (October 1). Two and one-half percent (2.5) of Federal-aid funds apportioned for the National Highway Performance Plan (NHPP) and Surface Transportation Program (STP) (23 U.S.C. § 104(b) (1) and 23 U.S.C. § 104(b) (2)) are reserved, applied separately for each program, until the State certifies how it will use the reserved funds. The State DOT and the HSO Administrator determine the division of transfer funds and notify the U.S. DOT by letter, known as the "split letter", due 60 days after the funds have been transferred.

The HSO is required to update the HSP, and may also include the funds in the HS-217, to indicate how it intends to use its split of penalty transfer funds, if any, from Section 154 and 164. Alternatively, the HSO may plan ahead knowing that there will be transfer funds in October and include a program plan for these funds in the HSP submission prior to that date.

The HSO and NHTSA are responsible for the oversight of Funds transferred to NHTSA's Section 402 program for alcohol-impaired driving programs under MAP-21. State DOT and FHWA are responsible for the oversight of funds released for HSIP eligible activities under MAP-21. All alcohol-impaired driving funds and Hazard Elimination funds transferred to the Section 402 program under SAFETEA-LU are still the responsibility of the HSO and NHTSA.

For behavior related activities, the use of Section 154 and 164 funds is limited to supporting alcohol impaired driving projects and shall **not** be used to support drug-impairment related projects. States may also use funds for paid media to support alcohol-impaired driving countermeasures or for purchase of equipment and training of officers for enforcement of DWI/DUI/related laws. States may not use penalty transfer funds for general law enforcement, training or equipment purchases.

The most current information regarding the requirements and limitations of the transfer fund programs can be found online in the NHTSA Highway Safety Grant Management Resources

## O. ADVERTISING

The NHTSA "Guidance for States Using Section 402 Funds for Purchasing Advertising for Highway Safety Messages" was updated in May 2013 to provide information on using highway safety funds to purchase advertising for highway safety messages. The Guidance is available in the NHTSA Highway Safety Program Grant Resources Guide under Federal Regulations for All Grant Programs/Covering Section 402 Program. The HSO has the authority to use funds to purchase advertising in a variety of mediums including television and radio, cinema, internet, print, outdoor (billboard space) and sports marketing for highway safety messages. States are still required to report on the purchase of media with Federal funds and its effectiveness in their Annual Report. NHTSA advocates the use of a sustained high visibility enforcement model that focuses on strategically deploying enforcement and communications resources at targeted times and locations throughout the year based on State problem identification. The objective is to influence and sustain year-round behavioral change while getting higher returns on investment and further improvements in traffic safety.

When a State plans to use funds for this purpose, the HSO shall document in their annual HSP information describing the following:

(a.) what program/policy the advertising is supporting;
(b.) how the advertising will be implemented to support an operational enforcement program whether it be a periodic crackdown/mobilization or an on-going saturation or roving patrol;

(c.) the amount allocated for paid advertising;

(d.) the measures that will be used to assess message recognition and penetration of target audience.

If a subrecipient is granted advertising funds the subrecipient should likewise be required to report this information to the State so that the information can be included in their Annual Report.

As with other activities, paid advertising must be part of a comprehensive program designed to address specific highway safety goals identified in the HSO Performance Plan. Advertising should not be a stand-alone program or activity. For example, the communications plan should be preceded by the enforcement plan.

Federal funds are to be used only for certain specified **advertising** and **public relations** costs. *See* 2 CFR Part 200.421. Federal grant funds are *never* available to cover the costs of **promotional items** and **memorabilia**.

Promotional items are an unallowable cost, for FY16 & beyond, 2 CFR Part 200.241 (e)(3). An unallowable promotional item is an item whose purpose is to be used as an incentive, to increase goodwill or that is a giveaway. The SHSO must ensure that the HSP does not include funding for promotional items. On May 18, 2016, NHTSA issued revised guidance entitled, "Use of NHTSA Highway Safety Grant Funds for Certain Purchases". The guidance outlines the prohibition for the use of Federal grants to purchase promotional items and provides the restrictions for the acceptable funding of educational materials, equipment, safety items for public distribution, recognition awards and advertising. This guidance should be consulted to ensure a complete understanding of the allowable and unallowable costs. The SHSO should consult with their Regional Office for specific advice.

Television public service announcements and advertising created with the aid of Federal funds must contain closed-captioning of the verbal content. See NHTSA Highway Safety Grant Funding Guidance, Section E. Public Communications.

States should obligate funds used for Paid Advertising with the program area code **PM.** See also Chapter V. Grant Administration and Management, Section D. Public Information and Education (PI&E).

**Sports Marketing**: If the State enters into a sports marketing sponsorship agreement, with a team, stadium or arena, it must further the achievement of the program's performance targets. In conjunction with the purchase of paid advertising, attendance at sporting and entertainment events that charge admission may occur which could be deemed an unallowable cost. See Chapter V, Section D (iii). Public Information and Education (PI&E) for guidance on applicable tests for such expenditures and examples of possible circumstances and their appropriate resolution.

## P. CERTIFICATIONS AND ASSURANCES- APPENDIX A

Each fiscal year the HSO signs Certifications and Assurances with the submission of the HSP that the State complies with all applicable Federal statutes, regulations, and directives in effect with respect to the period for which it is receiving grant funding. A Certification Statement for the Section 402 program, which can be signed only by the State's Governor's Representative for Highway Safety, is required in the HSP. The statement provides assurances that the State will comply with not only with applicable laws and regulations but also financial and programmatic requirements, and the special funding conditions of the programs. The State must use only the exact format and language specified in Appendix A (make no changes in the required language) and include every certification. NOTE: NHTSA will provide an electronic Certification and Assurances document for use by the States. An electronic signature will not be accepted.

The NHTSA Regional office should be consulted annually to assure that the State is using the most current version. Subrecipient Certifications and Assurances which are included in the HSO application as well in the Award Notification are provided to all grantees and include all Federal regulations for which the HSO has responsibility to ensure that every sub grant and contract (i.e. purchase orders) include any clauses required by Federal statute and Executive Order and their implementing regulations and that the subrecipient or contractor is aware of the requirements imposed upon them. See **2 CFR Part 200.331(a)(2)**. (For prior to FY2016, see 49 CFR Part 18.37, 49 CFR Part 18.36).

Under MAP-21 Appendix A of Part 1200 identifies for the HSO the following certifications and assurances that are required to be imposed upon subrecipients. They are:

Non discrimination

Buy America Act

Political Activity (Hatch Act)

Certification Regarding Federal Lobbying

Restriction on State Lobbying

Certification Regarding Debarment and Suspension

Although discouraged, the HSO may alter the language of the Federal certifications and assurances for subrecipients (only) as it is ultimately the State's responsibility to ensure that subrecipients are complying with the terms of the grant. The HSO may at their option require additional subrecipient State certifications and assurances, such as, seat belt use policies or training requirements for law enforcement officers

Failure to comply with applicable Federal statutes, regulations and directives may subject State officials to civil or criminal penalties and/or place the State in a high risk grantee status in accordance with 49 CFR §18.12 prior to FY2015 and for FY2016 and forward see 2 CFR Part 200 Remedies for Non Compliance Part 338 - 342 . See Chapter IV. Grant Selection and Execution – Section D (iii). Final Grant Agreement Preparation for additional information.

Q. Three Years Plus One Federal Obligation Restriction

23 CFR Chapter 1, Subchapter I, Part 118(2) states, "Except as otherwise specifically provided, funds apportioned or allocated pursuant to this title (other than for Interstate construction) in a State shall remain available for obligation in that State for a period of 3 years after the last day of the fiscal year for which the funds are authorized. Any amounts so apportioned or allocated that remain unobligated at the end of that period shall lapse."

Section 402 and Section 405 grant funds are authorized for apportionment or allocation each fiscal year. States should, to the fullest extent possible, expend these funds during the fiscal year. When developing the annual HSP funding plan, the HSO must be aware of the limitations placed upon the length of time that the funds are available. Grant funds are available for expenditure for three years after the last day of the fiscal year of apportionment or allocation (referred to as "three years plus one).

NOTE: Beginning with MAP-21, during the last year of availability of funds, NHTSA will notify States of unexpended grant funds subject to this requirement not later than 180 days before the end of the period of availability. The State may then commit the unexpended grant funds to a specific project before the end of the period of the availability. The funds committed to a specific project must then be expended before the end of the succeeding fiscal year and only on that project. At the end of that time period, unexpended grant funds will **lapse** and NHTSA will **deobligate** unexpended balances, see 23 CFR Part 1200.41.

## R. FUND LIQUIDATION

The HSO shall promptly obligate and expend Federal highway safety grant funds and track fund liquidation including transfer and incentive funds by funding year and source. The oldest funds should be expended first whenever possible.

The HSO Department Managers shall be responsible for periodically examining the current liquidation of each funding source by year, looking back at least five years, and shall promptly notify the HSO Administrator of any unreasonably large amounts of unliquidated funds. This examination shall include a prompt review of the GTS Grant Fund Balances Report (#7) and other reports and reconciliation of all categories with the HSO records. The HSO shall monitor closely the spending rates of all subrecipients and make periodic projections to assure the prompt start of projects and determine if there are impediments to full expenditure of funds by the project end. The HSO shall deobligate unspent funds in a timely manner to allow carryover into the next fiscal year.

The HSO shall document the specific rationale and anticipated timeframe for expenditure of any Federal funds which are not going to be promptly obligated. The HSO shall proactively bring any issues regarding unliquidated Federal transfer funds under SAFETEA-LU split by the HSO and the State Department of Transportation (DOT) for Hazard Elimination purposes to the responsible party at the State DOT. Where applicable, the HSO should ensure timeliness in contracting with the DOT and vouchering of funds through GTS. The HSO and NHTSA are only responsible for spending oversight for the funds shifted to the HSO.

See also section Q. Three Years Plus One Federal Obligation Restriction above.

## S. DELEGATION OF AUTHORITY

NHTSA regulations require a formalized process be established by the State as to who can act on behalf of the HSO Administrator in his or her absence. The HSO is required to establish a written Delegation of Authority.

The following table lists signature authority related to the HSO traffic safety grant program.

**Table 5. Delegation of Signature Authority**

| **Document** | **Signature Authority** |
|---|---|
| Highway Safety Plan | ***Approved by the CDOT Executive Director or designee Director Highway Safety Office Submitted by the HSO Administrator*** |
| Certifications and Assurances of the Highway Safety Plan Appendix A | ***Governor's Representative or designee CDOT Executive Director or designee Director Highway Safety Office*** |
| Highway Safety Program Cost Summary Appendix B | ***HSO Administrator Director Highway Safety Office*** |
| Federal Cooperative Agreements | ***HSO Administrator Director Highway Safety Office*** |
| Assurance for Teen Traffic Safety Program Appendix C | ***Governor's Representative or designee CDOT Executive Director or designee Director Highway Safety Office*** |
| Certifications and Assurances for National Priority Safety Program Grants (Section 405) Appendix D | ***Governor's Representative or designee CDOT Executive Director or designee Director Highway Safety Office*** |
| National Highway Traffic Safety Administration Agreements | ***HSO Administrator Director Highway Safety Office*** |
| Federal Grant Applications | ***HSO Administrator Director Highway Safety Office*** |
| Internal HSO Planning and Administration, and, Program Management grants | ***Program Manager*** |
| Reimbursable Service Agreements | ***HSO Administrator Director of Highway Safety Office*** |
| Traffic Safety Program Grant Agreements and Amendments (any amount) | ***HSO Administrator Director of Highway Safety Office*** |
| State Vouchers for Federal Reimbursement | ***Grant Accountant*** |
| Requests to NHTSA to purchase equipment ($5,000 or more) with Federal funds | ***HSO Program Manager(s)*** |

In the absence of the HSO Administrator, HSO signature authority is delegated to the following individuals in the order noted:

*Carol Gould – HSO Program Manager*

*Glenn Davis – HSO Program Manager*

The NHTSA Regional Office shall be notified in writing of the name and type of authorization and provided with the signature of each person currently assigned signature authority on behalf of the HSO. Whenever a temporary or permanent change occurs in the authorization assignment or the person assigned to the named authorized position, the NHTSA Regional Office shall immediately be notified in writing and provided the new information.

## T. FEDERAL SPENDING TRANSPARENCY

The SHSO is required to report certain information to the National Highway Traffic Administration (NHTSA) as mandated in the Federal Funding Accountability and Transparency Act (FFATA) and subsequent Office of Management and Budget (OMB) guidance. This information is then made available to the public at the www.USAspending.gov web site.

Prime awardees (the SHSO and the Bureau of Indian Affairs) of Federal grants of $25,000 or higher that are awarded **on or after October 1, 2010**, are responsible for reporting. The FFATA sub award Reporting System (FSRS) is the reporting tool SHSOs use to capture and report sub award data and/or sub awardee executive compensation data, see www.fsrs.gov.

The Project Manager is responsible to ensure that all grantees are compliant with FFATA requirements and the PCA is responsible for compilation of the FFATA level awardees information and forwarding to the CDOT grant accountant who enters the details into the FSRS system. All required documentation is required from the grantee at the time of application and the FFATA database will be sent to Accounting within 30 days of the award.

Prime awardees (the HSOs and BIA) must:

obtain a DUNS number from Dun & Bradstreet at http://fedgov.dnb.com/webform or call 1 866 705-5711;

Register in the System for Award Management (SAM) at www.SAM.gov ); which will automatically Register in FSRS.

Sub awardees must obtain a DUNS number from Dun and Bradstreet. Subrecipients are required to be registered in SAM. When they do register, the information will transfer to and pre populate the FSRS web site. In addition, the HSO is required to collect the names and total compensation of the five most highly compensated officers of the sub awardee agency if, in the preceding year, the agency: Exception if the entity is a public entity and the salary information is public information – Example a state college president, or State Patrol Chief.

received 80% of more of its annual gross revenues from Federal awards; AND, $25 million or more in annual gross revenues from Federal awards; AND, if the public does not have access to this information from reports filed under section 13(a) or 15(d) of the Securities Exchange act of 1934 or section 6104 of the Internal Revenue Code of 1986.

For each sub award, the following should be entered into the FSRS web site:

Sub award amount

Date of the award (date the grant agreement is signed)

Project description (grant title)

Primary place of performance

Sub award number

Executive Compensation answers

The following guidance documents are available on the GHSA web site at, Planning and Management Tools, Transparency Regulations: Transparency Act-101, OMB Guidance on Sub Award and Executive Compensation Data Reporting, and NHTSA's Draft Guidance Paper for Regions and States.

NOTE: HSOs should be aware that it is important to use the correct DUNS numbers and for the HSO to be actively registered in the CCR for the system to properly work.

## U. BUY AMERICA ACT

Under MAP-21 Appendix A of Part 1200 identifies for the HSO all of the certifications and assurances that are required, see Chapter II-Planning, subsection P. Certifications and Assurances. One of the required certifications is compliance with the Buy America Act, 23 U.S.C. Section 313. The Act prohibits States from using highway grant funds under 23 U.S.C. Chapter 4 to purchase products unless they are produced in the United States. The prohibition applies to steel, iron and all manufactured products unless a waiver has been requested from the Secretary of Transportation. The Secretary may waive the requirement if: it would be inconsistent with the public interest; the products are not produced in the United States in sufficient and reasonably available quantities and of satisfactory quality; or, use of the products produced in the United States would increase the overall cost by more than 25 percent.

NHTSA has determined that for compliance purposes American-made covers any product that is manufactured **OR assembled** in the United States. This requirement applies to all items purchased with Federal funds including office supplies. There are no waivers for classes of items. The waiver process generally takes 60 days. The waiver goes into effect at the time of its publication in the Federal Register. The waiver determination will state if the waiver applies only to the requestor or to others wishing to purchase the same item. The duration of the waiver will be stated in the Federal Register publication.

A public interest waiver issued by NHTSA became effective July 30, 2015. The waiver allows States to purchase any manufactured product with a purchase price of $5,000 or less, excluding a motor vehicle defined in 49 USC 30102(a)(6), when the product is purchased using Federal grant funds administered under Chapter 4 of Title 23 of the U.S. Code. The purchase of foreign-made cars, motorcycles, trailers and other similar conveyances must be made with using a waiver regardless of price. Effective July 30, 2015, any pending waiver requests for an item with a purchase price of $5,000 or less were no longer necessary.

NHTSA has issued Guidance dated January 23, 2014, which details the waiver criteria and the process for submitting a written waiver request to the applicable NHTSA Regional Administrator, see NHTSA Highway Safety Grant Management Resources. NHTSA and GHSA conducted a webinar on January 29, 2014, "NHTSA Highway Safety Grant Program Updated GHSA-NHTSA Webinar" which included additional information on the Buy America Act requirements and the waiver process, see the GHSA website/Members Only/Webinar for a complete copy of the presentation.

# Chapter III

## III Project Development


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# III. Project Development

## A. OVERVIEW

In alignment with the problem identification, performance targets and key strategies identified in the annual Highway Safety Plan (HSP), the HSO solicits proposals and awards grants to fund three-year projects designed to reduce the number of deaths and serious injuries resulting from traffic crashes.

Traffic safety projects are initiated as a result of several types of "needs" including:

- Statewide and local problem identification
- State agency initiative
- Community initiative
- Key events

The development of final grant agreements is a two-step process. Proposed grant applications are first submitted to the HSO by potential subrecipients following a prescribed process and deadlines. For successful applicants, the proposal form then becomes the grant application and final grant agreement. This chapter describes the proposal process.

Proposed grant applications must include the most current data available to identify a traffic safety problem, must offer a scope of work that creates a workable solution linked to the identified problem, performance targets, detailed action plans, including SMART (specific, measurable, attainable and time specific) goals along with a budget that demonstrate an understanding of the various issues to be resolved and a reasonable approach to resolving the identified problem. Proposed projects must be data driven and the HSO must be able to show that the strategies chosen are evidence-based and can be evaluated.

When the application is reviewed and rated by a team of Subject Matter Experts (SME) the three-year award notification will be sent to the subrecipient. Funding is awarded for the first year and subsequent year's funding is contingent upon PROVEN success of the first year's program, a second year scope of work with the same requirements as the original application, and a second year budget. The continuation application is reviewed and approved or denied by the HSO staff. Third year application and award have the same requirement as year two. The HSO final grant agreement is a legally binding document when fully executed by both parties. It has as companion documents, such as terms and conditions, detailed project descriptions, the approved budget, and certain required certifications and assurances. Partnering with Highway Safety Offices: Tips and Tactics for Success

## B. REQUEST FOR PROPOSAL

CDOT is currently funding on a three-year cycle contingent upon success in each preceding year. The HSO develops an RFP every three years for use by interested applicants. The HSO RFP contains the information needed by applicants to submit a proposed grant application. If funding is available and the Problem I.D. brings to light new or different target areas, a limited RFP may be offered in the interim years of the three-year funding cycle.

In the event it becomes necessary to change or revise any part of the HSO RFP, those changes or revisions will be posted on the HSO web site and notice given to prior recipients. No changes or revisions will be made after both parties have signed a final grant agreement.

All proposals remain confidential until the grant agreement is signed by the Program Manager and the applicant. After both parties have signed, the grant agreements are public records as defined in the State's "Public Records Act".

The responsibility for compiling the necessary information to revise and finalize the RFP is assigned to the *HSO Department Managers.* The RFP is posted on the HSO web site.

What type of proposals get turned down? Applications that:

Are not performance-based and data driven or will have little impact on the problem (feel good projects)

Do not relate to the problems identified in the Problem Identification Report or HSP

Are of poor quality

Submitted by organizations or agencies that have a poor track record in managing projects.

Use Federal Dollars to replace existing State or local funding instead of funding a new or expanded effort (Supplanting)
Support the general operations of an organization or agency or fund staff positions which relate to a specific project

Seek funding for too much travel relative to the size of the project

Request equipment which is inconsistent with the purpose, size, and scope of the project

Sometimes a highway safety problem may seem daunting at the local level but does not measure up when compared to other problems at the State level. For example, a community may be devastated by the death of a youngster in a bicycle crash. On a Statewide basis, however, there may be too few bicycle fatalities to warrant intervention.

## C. POLICY AND PROCEDURE MANUAL

This Policy and Procedure Manual is suggested to establish program and grant management procedures and provide guidance to subrecipients for the development and administration of grant agreements. CDOT HSO has determined that all relevant information for the development of an application, the rating and awarding process, and etc. are included in the application documentation on the HSO web site. This Manual is being developed as a reference not only for the HSO but for grantees as well.

Grant application

Key elements of the grant application

Grant review and approval process

Progress report forms

Reimbursement voucher forms (invoices)

Grant revision instructions

Equipment record requirements

Subrecipient certifications and assurances

Applicable Federal regulations and any recent revisions

Timelines

Other information

Revisions are made as soon as possible to accommodate any changes in State or Federal laws or regulations. Periodic training may be provided for HSO staff when revisions are made to this manual and/or the application guidelines.

## D. GRANT DEVELOPMENT CALENDAR

The HSO highway safety grant application process is comprised of three steps.

During the month of *February or March*, grant application solicitation notices containing the issues to be addressed including identified problems and goals are sent (and published on the HSO web site) by the HSO to public and private agencies who will best be able to help attain the HSO goals.

Potential subrecipients are asked to submit to the HSO a three-year grant application form containing a problem statement, a description of proposed activities and a complete budget. It is emphasized that to be funded, projects must have a direct link to the HSO identified problems and targets.

The HSO department *manager with a team of SMEs* reviews each application to verify that it does address the identified problems and meets all of the application requirements, and, reviews the budget component of each of the proposals. If necessary, the *program manager* works with the potential subrecipient to resolve any questions and develop a fully detailed and complete proposed grant application prior to the Grant Review SME Team referral. The Grant Review Team scores the proposals. The HSO *Program Manager* resolves any remaining questions. The HSO Staff then makes the final grant selection determination and approval.

**NOTE**: The HSO will identify project proposals which require priority handling in order to ensure an October 1 startup date. Most grants should have an October 1 start date.

**Table 6. Grant Development Calendar**

| Month | Activity |
|---|---|
| Mid February | Post RFP on HSO web site |
| March-April | Receive and review proposed grant applications, action plans and contact applicants for clarification or missing information |
| May - June | Develop HSO in-house grants<br>Invite HSO Grant Advisory Review Team to review proposed grant applications<br>Notify successful applicants |
| July 1 | Submit HSP to the National Highway Traffic Safety Administration (NHTSA) Regional Office via the required transmission method<br>Complete new fiscal year SAP task creation, creation of grant spend status for review by the Project Managers, ensure timely closeout of current year grants. Roll forward of dollars in SAP and fund next year WBS' |
| August 1 | Review Problem ID document to identify overrepresented areas which may be lacking NHTSA Safety programs and schedule outreach to solicit safety partners<br>Complete all funding of tasks and Purchase Orders and Contracts through Procurement |
| August 15 | Schedule and complete pre-work and risk assessment<br>Submit HSO in-house grants for Department approval |
| September 1 | Finalize grant agreements, complete monitoring site visits schedule<br>Issue Notice to Proceed along with award notification to selected subrecipients |
| October 1 | Implement grant agreements |

## E. GRANT PROPOSAL PREPARATION PROCESS

Proposed grant projects must support the targets and strategies established for the emphasis program areas in the HSO HSP. Grant projects make it possible to *implement* the HSP.

The purposes for developing proposed grant applications are to:

Produce a clearly defined problem statement

Produce a clearly specified work statement

Clearly define targets, objectives and performance measures including benchmarking and reporting requirements

Clearly define respective roles and responsibilities

Achieve understanding among all parties

Ensure accountability

The key elements of a proposed grant application are:

Problem identification

Objectives and Targets (applicable targets are listed in the HSP)

Performance measures

Tasks and activities

Milestones or action plan

Training needs

Evaluation plan

Budget

Reporting requirements

Financial planning

Subrecipient certifications and assurances (general and special terms and conditions)

The proposed grant application development process begins with the submission of proposals to the HSO by applicants.

Section 1 of the grant application is the Authorization cover page which requires the applicant to identify the primary emphasis area described by their proposal and provide their agency name, address and authorizing official signature.

Section 2 is the Description of Activity which describes five elements in narrative form:

Problem identification based on data from a recognized source

Objectives and Targets Ex: Increase safety belt use in XX county from 65% to 70% in 20XX

Activities, include milestones and deliverables

Evaluation – results of the proposed activities must be measureable

Agency qualifications as well as community interaction and collaborations

Proposed grant applications should include the most current data available to identify a traffic safety problem, a workable solution linked to the identified problem, a performance target and detailed action plans and budgets that demonstrate an understanding of the various issues to be resolved and a reasonable approach to resolving the identified problem.

Proposals must pertain directly to the HSO problem identification results which are provided in the current year's HSO RFP. The HSO review of proposed grant applications will be conducted on the basis of the issues identified including problem identification, the reasonableness of the problem solution, and other factors pertinent to the resolution of the identified problem.

Section 3 of the proposed grant application contains information and instructions for the Required Proposal Contents. Additional guidance is provided in the HSO RFP on reporting and invoicing requirements, funding (allowable and unallowable costs), lobbying restrictions and subrecipient certifications and assurances (See Chapter II. Planning, Section P. Certifications and Assurances)

Section 4 of the proposed grant application contains the financials or budget needed to complete the program. The budget will include monthly salary for agency staff paid monthly and hourly rates for other employees and any sub-contractors. The estimated cost for these support staff will be planned and budgeted by estimated hours worked times the hourly rate all work performed for the grant.

i. Time Period

The grant period is the time during which the subrecipient may incur reimbursable costs to carry out the project. The grant period should be long enough to allow the project to be completed. The typical time period is October 1 through September 30.

The HSO issues three year grant agreements. Agencies are required to resubmit annually for continued funding of the multiple year proposal.

ii. Problem Identification

The problem identification section of each proposed grant application should include a problem statement which is supported by specific crash data analysis, program and community needs assessment information or other relevant data. The HSO may assist potential applicants with obtaining the necessary data.

Applicants should review the key funding priorities and problem areas identified and included in the HSO RFP for the upcoming grant year. All proposed grant applications must support the primary target of reducing the number of injuries and deaths resulting from traffic crashes. The problem identification section must focus on one or more of the primary or secondary targets and emphasis areas described in the HSO Problem Identification Report.

The problem identification section is a key element of the final grant agreement. Additional guidance for preparation of the problem identification statement can be found in Chapter II. Planning, Section E. Identification of State and Local Problems (Data Analysis Procedure) and should be referenced by applicants and HSO staff.

iii. Agency Qualifications

The HSO must determine if the applicant agency is qualified to receive Federal highway safety grant funds and is the appropriate agency to conduct the proposed project activity based on past experience, education, skills and/or community or statewide leadership authority. The applicant must provide information in the proposed grant application regarding the agency's background, such as, prior funds managed, relevant project experience, etc. This is especially important if the HSO has no past experience working with the applicant.

In the current three-year funding process, the qualifications are submitted with the year one application, are included in the RISK assessment which is completed on each applicant by the project manager (PM) prior to approval of the application but these qualifications are not required in the consecutive two years of continuation funding, however an annual risk assessment will be completed by the PM to include proven success of the prior year program and acknowledge any issues encountered during the most recent program year. Issues considered will include:

Late start of prior program

Slow expenditure rate

Low project activity

Late reporting or report discrepancies

Missing project records

Excessive project personnel changes or other revisions to the original application.

Eligible agencies must be able to perform the following:

Deliver program activities promptly

Manage public funds efficiently and provide good internal controls

Collaborate with other community, governmental and private organizations

Develop data-driven problem solving plans to enable adequate evaluate of success

Proven program success in previous funding years

Meet all Federal requirements – DUNS#, SAM.gov registration, and etc.

iv. Project Objectives and Targets

Proposed grant applications must address one or more of the HSO primary or secondary targets stated in the HSO RFP in order to receive consideration. The project objectives stated in the proposed grant application's Description of Activity should clearly state the ultimate outcome the applicant hopes to accomplish and in measurable terms. For example, "increase enforcement of DWI laws as measured by…", or, "reduce the incidence of incorrect use of child restraints as measured by…"

A guideline called the SMART principle to assess performance targets is recommended. SMART stands for:

Specific

Measurable

Action-oriented/Attainable

Realistic

Time-framed

It is generally preferred that targets be based on outcomes (i.e. seat belt use rate) rather than be output or activity based (i.e. number of tickets written). Depending on the exact nature of the funded activity, in some cases a combination of outcome and output based targets or just output targets may be most appropriate.

A formative evaluation should be used to test the appropriateness and effectiveness of proposed project activities.

An administrative or process evaluation will help grantees organizations determine if the program was implemented as planned. Understanding what should occur and a systematic method to track it.

An outcome or impact evaluation will help the grantee organization if the program had an impact. Identifying if there has been a change in behavior or perception.

Frequent evaluation is recommended as the alert the grantee to potential problems with the project and allows for correction or modification to achieve the goals.

v. Project Activities

Activities must be identified in the proposed grant application and must clearly explain, in detail, the anticipated activities for which funding is requested. This explanation should show a logical sequence of events that will take place to accomplish the objective and achieve the HSO's performance target(s). The proposed activity must be an evidence-based countermeasure. In selecting the strategies and projects, the sub grantee should be guided by the data and data analysis supporting the effectiveness of the proposed countermeasures. Innovative countermeasures that may not be scientifically proven to work but that contain promise based on limited practical applications are encouraged when a clear data-driven safety need has been identified. Justification of new countermeasures can also be based on the prior success of specific elements from other effective countermeasures.

In selecting countermeasure activities, the project proposal should clearly identify both the target audience and the target area, see Table 7. Target Audiences and Target Areas.

Table 7. Target Audiences and Target Areas

| **Target Audiences:** | **Target Areas:** |
|---|---|
| Impaired drivers | A specific segment of roadway during night time, on weekends, or during daylight hours |
| Speeding motorists | Northeast quadrant of city |
| Unbuckled vehicle occupants | Jurisdiction wide during daylight hours |

The selected countermeasures must relate directly to the proposal's project objectives and to the performance targets and emphasis areas provided in the HSO RFP.

See also Chapter II. Planning, Section F. Key Program Areas, Targets and Strategies for countermeasure development resources.

## vi. Performance Measures/Evaluation

Performance measures are required to be clearly defined in each project proposal in the description of activity of the proposed grant application. Although not required, activities and funding should be directly related to the HSO performance measures and targets in the annual HSP which were established through data analysis and problem identification. Subrecipients must detail how they will evaluate and measure the effectiveness of their project toward achieving its targets. Evaluation should be expressed in terms of what they intend to measure (numbers, attitudes, knowledge, etc.), what they plan to accomplish, or a measure of what will change. These measures and standards provide guidelines to determine the efficiency and effectiveness of the grant. Performance measures must be negotiated and acceptable to all grant personnel. A well thought-out project evaluation process is critical.

Performance measures may be shown as specific requirements, for example:

By (Date) "Improve seat belt usage by X percentage points from (number) to (number) "

By (Date)"Increase child restraint usage by X percentage points from (number) to (number)"

For some types of projects, however, the work unit must be specific, for example:

"Submit one report"

"Produce one public service announcement"

Additional guidance for preparation of performance measures can be found in Chapter II. Planning, Section G. Performance Measures and should be referenced by applicants and HSO staff.

Evaluation brings the traffic safety process full circle as the results help the HSO determine whether any of the preceding steps need adjustment. For this reason, evaluation is an ongoing process in the management of the State's traffic safety program. To validly evaluate a project, performance measures must have been identified ahead of time as they will comprise the basis for the evaluation design. Evaluation allows all involved to:

Assess project or program effectiveness

Improve countermeasures

Allocate scarce resources more efficiently

The following should be considered by the HSO when considering evaluation:

Require all grants and contracts contain an evaluation component

Select scientific evaluation vs. process evaluation (size of project, type of activity)

Select evaluator, objectives and grant length

Determine baseline and timing of data collection

Develop an overall program evaluation process to assess long-term impact

The HSO will review and analyze the quarterly grant progress reports and evaluation reports and interpret analysis results to determine the appropriate application of the information within the program.

The results of the evaluation can be used to:

Summarize findings for distribution to appropriate persons and organizations i.e. web site publication

Incorporate results into future program planning

Publish, distribute and encourage use of the HSO Annual Report

Present information to the media and elected officials

States are required to submit an Annual Report outlining their accomplishments. This accountability tool will be used by NHTSA and other agencies. The SHSO is subject to audits by State Audit as well as the Inspector General of the U.S. and the every three-year NHTSA Management Reviews. These audits may include review of grantee programs and progress.

Grantee organizations need to be aware of the Federal and State requirements for the stewardship over public funds and how those funds are treated.

## vii. Budget

The *Project Manager* and the applicant negotiate the content of the budget during grant development. The proposed budget eventually becomes incorporated into the final grant agreement. This section explains some of the considerations and requirements involved in preparing the budget.

HSO RFP provides applicants with a Budget Summary form which must be completed and submitted with the proposed grant application. A detailed cost breakdown must be negotiated to justify proposed costs. The approved project budget should be as detailed as appropriate for fiscal control. Once the budget is approved by the HSO all items included in the budget and budget narrative are considered Pre-Approved and reimbursement payment will be processed without questions.

The HSO Budget Summary form includes the following line items:

Salaries and Wages

Fringe Benefits

Operational costs

Travel and Subsistence

Contractual Services (see section viii below)

Equipment (each individual piece of equipment valued at $5,000 or more must be identified)

Other and Indirect Costs

For each line item, the applicant is required to identify both the HSO Share requested and the Applicant Matching Share (if applicable). Local or applicant resources used and in-kind contributions such as personnel costs, etc., should be itemized and added in the total budget.

The method of payment is reimbursement only, within the constraints of Federal or State guidelines. No reimbursement is allowed before work has been performed or costs have been incurred.

The following deviations by the subrecipient from the approved budget require the PRIOR approval of the HSO: The Grant Revision Request must be completed and submitted to the PM PRIOR to making any purchase or change. A Grant Revision form should be requested from the PM for any changes requiring pre approval.

A specific item of cost not included in the approved budget.

An increase in the number of a specific item over and above the total authorized.

A transfer between major budget categories in excess of a total of 10 percent of the category being increased. (For transfers of less than a total of 10 percent of the category being increased, an email notification describing the action being taken shall be sent to the HSO by the subrecipient.)

Costs incurred <u>before</u> the grant agreement is signed by the HSO are not eligible for reimbursement. Costs incurred <u>after</u> the grant agreement expires are also not eligible for reimbursement.

Subrecipients may be reimbursed on the basis of actual cost, cost per unit, specific rates, fixed costs, or a combination of these methods. Explanations of the methods of payment follow. Note only reimbursement is available on NHTSA highway safety grants.

**Actual Cost: <u>This is the only reimbursement method available under the CDOT HSO grants</u>** Actual cost agreements authorize the HSO to reimburse the subrecipient for all costs incurred under the project, subject to cost principles included in 2 CFR Part 225 prior to FY2016, 2 CFR Part 200, Subpart E for FY2016 and forward. This is the most common type of agreement.

Traffic safety grants are limited to the amounts and items authorized in the budget. Adjustments between cost categories within the budget are allowed with prior written approval from the HSO.

**Cost Per Unit of Work:** Some agreements are reimbursed on the basis of units of work performed. This method of payment uses a negotiated per-unit cost, with each component documented and approved in a detailed cost proposal. This method of payment eliminates the need to document each element included in the subrecipient invoice, requiring instead that the *performance* of work be documented. However, the negotiated rate must be based on documented actual costs and experience in performing the prescribed task. ***EXAMPLES:*** $100 per person trained *or* $40 per car seat distributed.

**Specific Rates:** Grants may authorize payment on the basis of specific rates. This method uses a composite of all or selected costs. ***EXAMPLES:*** Salary:$50/hour, Travel/per diem:$85/day, $0.55/ mile

**Fixed Cost:** The grant may authorize payment of an agreed upon fixed amount not subject to modification. Payments are made periodically at agreed upon intervals or once, upon completion of the project. If this method is used, there must be a detailed and thorough cost analysis made during the negotiating process.

**Overtime Rate:** The majority of grants involving increased enforcement of traffic laws rely on the payment of overtime hours for patrol officers. The overtime pay rate for officers is based on actual cost per employee in accordance with the subrecipient's policy for payroll and salary rate. When a project includes overtime salary or wages, traffic safety funds can pay for the additional cost of fringe benefits directly associated with the overtime hours not covered by the employee's basic benefit package (an example of an eligible fringe benefit cost associated with overtime would be an employer's contribution to a retirement plan). The costs of fringe benefits are allowable to the extent that the benefits are reasonable and are required by law, employee agreement, or an established policy.

**Allowable Costs**: Reference should be made to Chapter VI. Fiscal Procedures, Section E. Allowable Costs for discussion of subrecipient allowable costs. See Appendix E – allowable costs

**Proportionate Funding for Equipment:** For all activities and equipment to be funded, which have components both related and unrelated to a highway safety grant, the Federal share shall be based proportionately on the projected utilization for the National Highway Traffic Safety Administration's (NHTSA) grant purposes. For example, the NHTSA participation in the cost of Gas Chromatograph Mass Spectrometers for quantitative testing of drug evidential samples shall be on a pro rata basis. If a police department plans to use this equipment 20 percent of the time to identify drugged driving evidence and 80 percent of the time to identify evidence for the narcotics squad, the NHTSA participation must not exceed 20 percent of the total cost of the equipment. See NHTSA Highway Safety Grant Funding Guidance Part II.E. See also Chapter VI Fiscal Procedures, Section E. Allowable Costs.

## viii. Contractual Services

Contractual services are services of individual consultants or consulting firms engaged in performing special services pertinent to traffic safety. All subrecipients awarding subcontracts shall comply with the terms and conditions of 49 CFR Part 18.36 Procurement prior to FY2016, and 2 CFR Part 200.317 & 200.318 for FY2016 and forward. The HSO shall monitor periodically all subrecipient contracts and professional service agreements to verify compliance with the established State and/or local procurement procedures. Subrecipients must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. The non-Federal entity may use time and material type contracts only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and material type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and (ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit. (2) Since this formula generates an open-ended contract price, a time-and materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, or disputes.

A subrecipient shall not enter into any subcontract without prior written concurrence by the HSO. The costs of such services are identified under the category of "contractual services" in the Budget Summary of the grant application and

will be budgeted and billed at an hourly rate. Subcontracts shall contain all required provisions of the subrecipient's grant agreement terms and conditions. No subcontract will relieve the subrecipient of its responsibilities under the grant agreement. Subcontracts can be between governmental agencies as well as with non-government entities for professional services. A copy of all sub-contracts is required documentation in the grant file and must be referenced for all payments to the sub-contractor. Each primary grantee that chooses to sub-contract sections of their program will be required to submit their monitoring efforts each month along with their PAR. The monitoring effort can be observations, participation in events, review of documentation or surveys, meeting minutes, and other hands-on review of contractor activities.

Per the NHTSA's Highway Safety Grant Funding Guidance : "Costs are allowable for highway safety consultant services from universities, public agencies, non-government organizations and individuals for State or local highway safety support services or products consistent with the applicable Cost Principles, provided applicable State procurement procedures are followed." It is recommended that the State's official contract and procurement manual be maintained in the State's Highway Safety Office.

### ix. Travel and Subsistence

Travel that is preapproved, included in the budget, and directly related to traffic safety and linked to the grant objective(s) is allowable at prevailing State rates and subject to State travel regulations provided the expenses are for specific services benefiting the HSO's highway safety program, see NHTSA Highway Safety Grant Funding Guidance Part III.B and for FY16 and beyond 2 CFR Part 200.474.

The Department's reimbursement for airfare, car rental, per diem, and other travel costs will be based on the subrecipient's travel policy, but reimbursement of travel costs cannot exceed established State rates, unless negotiated in the grant agreement. See Chapter V. Grant Administration and Management, Section H. Subrecipient Travel. For CDOT purposes, travel includes overnight stay. Mileage is operational expense.

### x. Grant Extensions

If both the HSO and the subrecipient agree that the project has demonstrated great merit and has potential long-range benefit, or if the project scope is modified or expanded, the subrecipient may apply for continued funding assistance. Although not mandatory, a general rule is to limit grant projects to not more than three years. Any project being considered for extension beyond three years should be reviewed for exceptional project performance and:

Include revisions or expansions to the scope of the project (assuming that the subrecipient will continue the portion of the project previously supported with Federal funds)

Document a continued need for the project

Receive specific approval from the HSO Administrator

Like any grant agreement, multi-year projects may be stopped or cancelled for cause or convenience, including termination for poor or non-performance. A letter to the subrecipient is required if funds are NOT available to continue the project.

### xi. Subrecipient Matching Funds

Currently Colorado does not require any match to be provided by subrecipients but instead provide the required Federal matching funds by directly soliciting match from State and local agencies in a consolidated manner. This is subject to change if/when circumstances change.

See Chapter IV. Grant Selection and Execution, Section H. Development of Highway Safety Office Internal Grants, and, Chapter VI. Fiscal Procedures, Section C. Matching Funds.

## F. STATE AGENCY GRANT AGREEMENTS

The HSO makes no change in application requirements for other State agencies and administers all IGA agreements of the State for executing grant agreements and providing reimbursements between the HSO and other State agencies in accordance with the Colorado Procurement and Fiscal rules.

See also Chapter V, Grant Administration and Management, Section I. Indirect Cost and Section N. Monitoring.

# CHAPTER IV

## IV. Grant Selection and Execution

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## A. GRANT APPLICATION AND SUBMISSION PROCESS

Traffic safety grant selection procedures that fully comply with the State and Federal regulations are published and used by the HSO. Only grant applications that address the traffic safety issues identified through the annual Highway Safety Plan (HSP) problem identification process shall be accepted. The grant selection procedure shall be reviewed and updated annually. A Request for Proposal (RFP) package shall be posted by the HSO on the web site to ensure adequate and uniform notice to all prospective subrecipients of the prescribed requirements and deadlines.

The following agencies/organizations are eligible to submit applications for HSO traffic safety grants:

The CDOT Office of Transportation Safety (OTS) offers grants to agencies, organizations, and tribal governments within the State of Colorado that provide programs, projects, services, and strategies that are intended to reduce the number of deaths and serious injuries resulting from traffic crashes on Colorado roads. Priority funding is given for projects that address key traffic safety issues in our state, including impaired driving and occupant protection.

Applicants are directed to the HSO RFP for the current grant year which is available on the OTS web site for a complete set of submission instructions and for the application form. The HSO RFP contains the deadlines for submission. In lieu of a pre-proposal conference, applicants are asked to address questions to the HSO Department Manager by mail, telephone, fax or email.

**Proposal Submission Instructions:**

Only one copy of the proposed grant application should be submitted and it is preferred that the application be submitted by email. A hard copy of the application with original signatures must also be mailed to the HSO. Colorado Fiscal Rules do not allow electronic signatures so a wet signature is required.

Late applications will not be accepted.

Hand carried applications will not be accepted unless specific arrangements have been made to receive the document.

Emailed and mailed applications received by the HSO will be directed to the *Department Manager for distribution to the proper project manager*

Applicants mailing applications will be instructed to allow normal mail delivery time to insure timely receipt. Applicants assume the risk of non-delivery or late arrival associated with the method of delivery selected. The HSO assumes no responsibility for delays caused by external delivery systems.

The HSO will notify applicants by email of receipt of their applications within five days of receipt.

Applicants who do not receive a notice within ten days of submitting their application must contact the HSO to confirm that their application has arrived at the HSO if their application is to be considered for selection.

All applications must include all applicable documents including documentation of good standing, Proof of Insurance, DUNS#, CCR registration (SAM.gov) Local Benefit and Program Income letter, Indirect rate if applicable.

If a single applicant is requesting a grant under multiple Federal program funding sections/sources, then the applicant must submit separate applications to the HSO for each program and identify specific dollar amounts for each funding section/source. The above referenced documents are required with EACH application.

## B. GRANT APPLICATION/DISTRIBUTION LOG

The HSO Grant Distribution Log form (an HSO Excel spreadsheet) is created to track the receipt and handling of all proposed grant applications received by the HSO annually. The purpose of the log is to assure that all required actions are completed and in a timely manner. The content of the log will include the agency, program name, funding request, contact name and CDOT- HSO program manager.

The HSO *OTS Administrative Assistant* is responsible for making the initial entries the HSO Department Manager periodically updating the HSO Grant Distribution Log to reflect the current status of the applications.

All applications will be saved by the Project Manager on the OTS shared drive under the correct fiscal year's folder in the grant solicitation folder and properly filed under the correct program area example: impaired or occupant protection, etc.

## C. GRANT SELECTION PROCESS

### i. HSO Initial Review

Proposed grant applications are first reviewed internally by the HSO Department Manager and then by the *grant review team* to:

Ensure that the application meets the required criteria

PM and PCA will review budget for allowably, appropriateness, and available resources

Compare the application with current activities and other activities in the targeted area

Determine whether the proposed grant activity will impact traffic safety, will work towards established targets by ensuring that the problem is adequately described, and that objectives, activities, performance measures, and resources requested are measurable and will address the problem

Determine that the potential subrecipient is able to perform the activities, adequately staffed, training requirements, plan for achieving self-sufficiency and certification of Federal and State requirements

See Chapter III. Project Development, Section D. Grant Development Calendar for applicable timelines.

A Grant Review Form will be completed by HSO reviewing staff to record all comments, questions and additional information obtained from the applicant. After the first review of each proposed grant application within the HSO, the *Program Manager* will request any additional information needed by contacting the applicant or others as necessary and recording their responses on the Grant Review Form. When completed the *Project Manager* will print the Grant Review Form and circulate it to the *Department Program Manager* for review and confirmation that all pending issues have been addressed. The proposal will then be forwarded, using the prescribed HSO process, to the Grant Review Team for consideration.

The determination of whether the application has the potential to impact traffic safety goals will be based on its ability to implement evidence-based strategies, show a commitment to sustain and contribute to success, have measurable outcomes and address the greatest demonstrable need/problem. Proposals that target high-risk populations, high-risk behaviors and high crash locations will receive additional consideration. The proposed strategy must be either an evidence-based strategy supported by research, or, a demonstration project if a clear data-driven safety need has been identified or the project is supported with a strong evaluation plan that will allow the HSO to assess the effectiveness of the activity at its conclusion.

Following are some guiding questions for HSO staff conducting a technical analysis of a proposed grant application: See also the Grant Application Score Sheet on the HSO Web Page.

Has a traffic safety related problem been adequately identified and appropriately described in the problem statement?

Do the objectives, targets and performance measures directly address the identified problem?

Are the objectives clearly stated and achievable?

Is a completion date indicated for each objective?

Is sufficient time allocated to achieve each objective?

Will performance measures provide adequate evidence of project activity and accomplishment of objectives?

Are personnel needs accurately identified? For example:

If an objective requires roadway safety studies, an engineer must be involved.

If an objective involves public information and education activity, these activities will be coordinated with CDOT Public Relations. No Subrecipient will be disseminating public information without the approval of the PR department

If the objectives involve law enforcement agencies, a sufficient number of appropriately trained officers must be available.

Will any special equipment be needed? If so, will it be available for grant implementation, or does the applicant require funding to acquire the equipment?

Are the funds requested reasonable and in line with similar programs.

Are there other considerations that might affect subrecipient performance? If so, are they adequately addressed?

ii. Grant Review Team

Proposals recommended for funding after the initial review by the HSO staff are then evaluated by the Grant Review Team (GRT). The GRT is composed of representatives of agencies and organizations selected by the HSO Administrator who have worked with the HSO in the past and have traffic safety or grant related experience. The GRT is created to review and score proposals to establish a fair process for selecting grants. Applications are prescreened by the HSO before being sent to the GRT members. Only qualified grant applicants are forwarded to the GRT. If the GRT recommends changes to any application, those changes will be negotiated by the HSO Project Manager.

To avoid any conflict of interest, the GRT members may be requested to sign a statement provided by the HSO (See Appendix D. Non-Conflict of Interest Statement).

During year two and three of CDOT's current funding cycle, the GRT will consist of the Project Manager and the HSO Department Managers. This is continuation funding and is based on success of the previous year and SMART objectives presented with measurable evaluation criteria.

iii. Grant Proposal Evaluation Procedure:

It is suggested that when the grant reviewer receives an application, they read through each one completely, at least one time with no points awarded. This method ensures a full understanding of each proposal before awarding points. It also will help to eliminate or reduce the psychological tendency to award fewer points to the first offer reviewed.

Each grant reviewer will be supplied with a scoring sheet developed by the HSO for the application being reviewed (See HSO Website for Grant Scoring Criteria). While scoring, only whole numbers is suggested it may be necessary to use fractional points (i.e. 3.5 or 4.76) may be used. Numbers may be selected between the scoring criteria, i.e., 1, 2, or 4, if a proposal falls between the criteria descriptions.

Comments should be added as needed for clarification on the reason points were given. The application reviewer may "insert comment" directly into the field, add to the bottom of the scoring sheet, or supply comments on a separate document. Grant reviewers are not responsible for determining the actual award of the proposal; they are only scoring the proposal. Offers will be determined upon a compilation of points awarded as a combined effort of the GRT scoring and the HSO.

It is recommended that the GRT meet together whenever possible to discuss their scoring so questions regarding extreme differences in score can be discussed, debated, and potentially moderated prior to submission. Once a reviewer is satisfied with their review, they will return (hand carry, email, or U.S. Mail) the hard copy score sheet to the Project Manager who will compile and average scores and file the document.

Any questions identified by the GRT members will be resolved by the HSO *Project Manager, who may recommend approval or denial of all applications to the HSO staff, managers, and Director* before a final selection is made by the HSO.

Final selections are made only with the approval of the HSO Administrator. There must be a separation of duties between the individual responsible for developing the grant and the individual who approved the grant.

iv. Pre-Award Risk Assessment

Beginning with FY2016 grants, the HSO developed and follows a procedure to conduct a risk evaluation, and communicate, in writing, the risk assessment results to each subrecipient who is receiving NHTSA funds. This will be completed prior to making the grant award. The HSO, as a pass-through entity, is required to evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations and the terms and conditions of the sub award for purposes of determining the appropriate subrecipient monitoring. The HSO risk assessment process includes the four factors listed in 2 CFR Part 200.331(b):

(1) The subrecipient's prior experience and performance with the same or similar sub award; and the HSO specific history with the subrecipient.

(2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F—Audit Requirements of Part 200.331(b), and the extent to which the same or similar subaward has been audited as a major program; if a result is not unqualified the grantee will automatically be HIGH risk

(3) Whether the subrecipient has new personnel or new or substantially changed systems; and

(4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).

If a subrecipient of the HSO passes on Federal grant funds via a sub award, the subrecipient has the same obligation as a pass-through entity for all requirements of 2 CFR Part 200.331 including conducting a pre-award risk assessment of their sub recipient.

The HSO shall consider imposing specific sub award conditions upon a subrecipient if appropriate as described in 2 CFR Part 200.207 Specific conditions. See also Chapter V, Section N. Monitoring.

v. Grant Negotiations

After a successful applicant has been notified that their proposed grant application has been accepted, the applicant completes any final grant agreement development issues through negotiations and discussions with the HSO *Project Manager* The grant agreement outlines the specific components of a project, the final authorized budget, the specific performance measures and objectives, and the commitment of responsibilities by the HSO and the subrecipient.

Final grant agreement development typically involves some level of negotiation to ensure that the final agreement meets all of the HSO requirements, expectations and conditions. The *Project Manager* negotiates on behalf of the HSO and will save as "final" Application on the Shared Drive notated as "final". Negotiation allows the HSO and the applicant to arrive at an understanding on the specific details of the grant agreement (such as budget detail amounts, enforcement activity locations, evaluation criteria, etc.). Negotiating involves discussion, clarification, or modifications to the proposed grant application. Items to be discussed during the negotiation phase include, but are not limited to, the following:

Problem identification

Project description

Anticipated outcome

Time period

Location and frequency and measurability of activity

Acquisition of equipment or other items

Frequency of reporting and invoice submissions

Budget content - a federally approved indirect rate cannot be negotiated. Many agencies with a rate substantially exceeding the de minimis rate often will bring the excess cost as match or in many cases waive the indirect. Our evaluation of the application includes a cost analysis and our decision to fund a program will certainly be influenced by the total cost to complete the activities. We CANNOT negotiate the rate but can accept an offer of a reduced IDC

Performance measures

The following table lists the steps a typical proposed grant application follows from initial development to final grant agreement execution. Also shown are the parties responsible for each step.

**Table 8. Project Proposal and Grant Agreement Preparation Process Overview**

| Step | Action | Responsible Parties |
|---|---|---|
| 1 | Project development and proposed grant application submission | Applicant |
| 2 | Receive proposed grant application, print and File on the OTS Shared Drive | *HSO Department Manager* (Grant Distribution Log completed by HSO Manager) |
| 3 | Proposed grant application review and clarification with Applicant | *Project Manager*, Applicant |
| 4 | Technical analysis and HSO pre-selection | *Project Manager and GRT,* (Complete Grant Review Form) |
| 5 | Scoring | HSO Department Manager and GRT |
| 6a. | Final Grant Agreement Negotiation | *Project manager,* Subrecipient |

| | | |
|---|---|---|
| 6b. | Pre-award Risk Assessment | *Project Manager – Communicated to Subrecipient* |
| 7 | HSO Formal Approval | HSO Staff, Managers and HSO Administrator |
| 8 | Department Approval | *HSO Manager* |
| 9 | Notice to Proceed (NTP) | *Project Manager include award notification* |

vi. Award

Where possible, all applicants will be notified in writing of their award status by Mid-June. Following successful completion of negotiations and receipt of all required documentation, the HSO issues a NTP to each successful applicant on or before October 1 of the new grant year. Each NTP shall be signed by the Project manager

vii. Assistance and Resubmission Requests

Upon request, a resubmission of the denied application may be requested for an unsuccessful applicant by written request to the Project Manager no later than five (*5)* business days after receiving notice that the proposed grant application was not accepted. The HSO PM will review the resubmission request within *3* to *5* business days of the request. The HSO may respond to the request by telephone or email with suggested modifications and offer to assist. Discussion will be limited to a critique of the proposed grant application. Comparisons between other applications or evaluations of other applications are not permitted.

A request for reconsideration of funding denial, must be submitted in writing. Reconsideration requests must be received by the OTS within 10 days of the date on the denial letter. Email reconsideration requests, which must include the above-referenced Project Title and a statement of the reasons for the protest to: Colorado Dept. of Transportation, Attn: Director of the Office of Transportation Safety, (303) 757-9078. Reconsideration decisions made by the Director of the Office of Transportation Safety will be final and sent in writing by within 2 days of the request.

**MINI Grants** CDOT HSO offers smaller grants (less than $5,000) defined as Mini Grants. The Mini Grant Application is found on the CDOT Safety page in the same location as the RFP grants.

The application is less cumbersome but does require identification of a problem with either CDOT supplied data or local data along with a budget identifying all planned expenditures and a narrative explaining the need. All recipients of Federal dollars must supply their DUNS #, their SOS standing, proof of insurance and active status in SAM.gov

Approval of the Mini Grant is the responsibility of the assigned Project Manager. The Mini Grant subrecipient will receive a customized claim form, a PO copy encumbered at the full funding amount, a NTP, an Award Notification document and Grantee forms as required – PAR, travel reimbursement, etc. The program may be a one-time event or on-going through the year. It is recommended claims be submitted for $1,000 or greater to reduce paperwork. A ML81N (service entry) will be completed for each claim.

At the end of the program, each grantee will be required to submit a Final Report showing successes, problems, and other measurable details showing the safety benefits of the program. (Number of participants, number of events, and number of activities and so on are required in the Final Report.) It is the responsibility of the PM to ensure that the report is received with the final claim and is acceptable. The final claim will not be paid unless the report is received and is determined to be satisfactory.

** Law Enforcement Mini Grants can occasionally include the purchase of equipment. The mini grant amount at $4,950 is below the capital equipment threshold but the agency may choose to add agency dollars for an improved item or to get a different model, etc.. If the total amount of the equipment purchased will exceed the $5,000 threshold, a pre-approval from the Program Manager is required or the purchase may not be reimbursed.

For ease of audit and balancing to the CDOT reimbursement voucher, a SAP document will be created each month showing total expenditures for that month. Timing of the claim payment and voucher request can vary causing confusion when attempting to verify voucher amount.

## D. FINAL GRANT AGREEMENT PREPARATION

i. Special Conditions

In addition to the general required terms and conditions which apply to every traffic safety grant agreement, the HSO may determine that special conditions should be imposed upon a specific subrecipient. Some reasons for the special condition may be the results of the pre-award risk assessment, nature of the specific strategy being addressed, past experience with the subrecipient or a special requirement that is not otherwise addressed in the general terms and conditions. If a special condition is imposed upon a subrecipient, the special condition shall be documented in the HSO NTP. Following are some examples of a special condition:

The subrecipient is allowed to charge costs to the grant for activity which takes place within a stated timeframe before the official start date of the grant (this is typically a rare occasion which may occur when preparatory activity is necessary in order to assure that the primary grant activity can begin on the start date of the new fiscal year annual seat belt survey as example)

The subrecipient is required to share equipment purchased under the grant with other agencies in their geographic region

The subrecipient is limited to using specific personnel to complete grant activity

The subrecipient does not have proven success in previous years of the three-year cycle.

ii. Approval and Signatures

HSO requirements

When the HSO Administration approves (signs) a grant agreement by approving the purchasing document, he or she is certifying that the agreement:

Is legal and payable

Includes all required and applicable provisions

Complies with all applicable Federal and State regulations and laws

Has received Federal approval when such approval is required

Has been budgeted with available funds

Has been authorized by the HSO as part of the HSP

Before approval (signing), the *HSO Department Manager(s)* will review all grant agreements for form and content, applicable provisions, eligibility of costs, consistency, and accuracy.

**In House Agreements**: 23 CFR 1300.33 (c) *Project agreements.* Copies of each project agreement for which expenses are being claimed under the voucher (and supporting documentation for the vouchers) shall be made promptly available for review by the Regional Administrator upon request. Each project agreement shall bear the project agreement number to allow the Regional Administrator to match the voucher to the corresponding project. The Colorado SHSO has written agreements for the DRE and OP Tech Transfer grants. All other In House agreements have a Colorado Purchase Order issued (which is a legal agreement) or is for purchase of a product going to an external agency (PBT and Calibration Stations, checkpoint Equipment, etc.) or a for program support and are salary and expenses for staff necessary to administer the SHSO approved grant programs and support sub-recipients.

b. Subrecipient requirements

A final grant agreement submitted to the HSO must be signed by the authorizing official (person with contracting authority) for the applicant agency or organization. The authorizing official, and in some cases the Project Director, must also certify and ensure that all of the conditions contained in the Subrecipient Certifications and Assurances, Reporting Requirements and Invoicing Requirements will be met including any special conditions.

A grant agreement must be approved and executed in accordance with subrecipient procedures as well. This may involve placement on the agenda for a city council meeting, the county commissioners' court, or a State agency's director, board, or commission. Scheduling time frames vary from agency to agency. Scheduling requirements must be considered in the approval process to ensure that the grant can be activated on time.

c. Educational institutions and hospitals

2 CFR Parts 215 and 220 for grants prior to FY2016 and 2 CFR Part 200 Appendix III for FY2016 grants and forward require that educational institutions and hospitals provide a "Certificate of Indirect Costs (F&A) Costs" for federally funded projects. The certificate must be signed on behalf of the institution by the chief financial officer or an individual designated by an individual at a level no lower than vice president or chief financial officer. An indirect (F&A) cost rate is not binding upon the Federal Government if the most recent required proposal from the institution has not been certified. Appendix IX of 2 CFR Part 200 states that the existing OMB principles located at 45 CFR Part 75 Appendix E, entitled "Principles for Determining Cost Applicable to Research and Development Under Grants and Contracts with Hospitals," remain in effect until such time as revised OMB guidance is proposed and implemented for hospitals. NOTE: NHTSA funds cannot be spent on Research and Development.

**iii. Subrecipient Certification**

The HSO Grant Request/Project Agreement form and contracts contain required Terms and Conditions as well as requiring compliance with the federal Certifications and Assurances which pertain to subrecipients. These sections provide the terms and conditions governing the grant or contract and certifies that a subrecipient will comply with the applicable regulations, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal or State funds for the project.

The subrecipient or contractor must be aware of the requirements imposed upon them, see 23 CFR Part 1200 Appendix A and 2 CFR Part 200.331(a)(2) These requirements and certifications are included in the HSO NTP and award notification documents. Appendix A of Part 1200 identifies the following certifications and assurances that are required to be imposed upon subrecipients (sub grantees) and contractors. They are:

Non discrimination

Buy America Act

Political Activity (Hatch Act)

Certification Regarding Federal Lobbying

Restriction on State Lobbying

Certification Regarding Debarment and Suspension

Drug Free Work Place

American Disabilities Act

Conflict of Interest

Other Federal requirements

Although not recommended, the HSO may alter the language of the Federal certifications and assurances as it is the State's responsibility to ensure that subrecipients are complying with the terms of the grant.

The HSO may at their option require additional subrecipient State certifications and assurances, such as, seat belt use or training requirements for law enforcement officers.

The HSO Project Manager shall ensure that for each grant proposal the subrecipient has been checked on the Federal Debarment and Suspension List by State to ensure they are not suspended or debarred. Subrecipients, as well, must check all contractors to ensure they are not on the debarred list. Subrecipients are required to become familiar with the contents of the final grant agreement form and award notification and be on notice that failure to do so will not excuse nonperformance or noncompliance.

If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in 2 CFR Part 200.207 Specific conditions, or terminate the award in whole or part as provided in 2 CFR Part 200.337 and 338.

Each fiscal year the HSO signs Certifications and Assurances with the submission of Appendix A of the HSP that the State complies with all applicable Federal statutes, regulations, and directives in effect with respect to the period for which it is receiving grant funding. The State Certifications and Assurances are provided in the NHTSA Highway Safety Grant Management Resources Guide and should be referenced annually to ensure that the most current requirements have been incorporated by the State.

See Chapter II. Planning – Section P. Certifications and Assurances for additional information.

## E. NHTSA EQUIPMENT PURCHASE AND DISPOSITION APPROVAL OF $5,000 OR MORE

For all major equipment purchases and replacement purchases with a useful life of more than one year and an acquisition cost of $5,000 or more in total value, the HSO shall receive prior written approval from the NHTSA Regional Administrator. This procedure is required by 23 CFR Part 1200.31 and the NHTSA Highway Safety Grant Funding Guidance Part III.A. The regulations look to the cost of the equipment regardless of the portion of funding supported by Federal or other funds if the total cost was $5,000 or more. See also 2 CFR Part 200.439 on capital equipment. The HSO requires the request for capital equipment is documented in the application and budget. If approved by the HSO, the request for approval by NHTSA will be received prior to purchase. All major equipment of $5,000 or more in value will be maintained on the grantee's asset listing, will be documented and the capital equipment agreement and inspection will be completed and kept on file in the Capital Equipment binders as well as in the Grant Folder. An annual inspection will be completed and documented. Disposal of each asset will be pre-approved and will be in accordance with the applicable State and NHTSA regulations. The HSO will adhere to allowable and unallowable equipment purchases as specified by the Federal regulations.

The unit cost for equipment is the unit's purchase price plus any accessories necessary to make the equipment operational for its intended purpose. During the review of proposed grant applications, the *Project Manager* shall identify all equipment purchase requests by subrecipients which meet the above criteria. The *Project Manager and Department Program Manager* shall ensure that the equipment has been identified within the HSO HSP, and, that written approval from NHTSA has been obtained and then submitted to the NHTSA Regional Administrator for specific approval. Capital equipment requests approved by the HSO after the Highway Safety Plan approval letter, will be submitted to the NHTSA Regional Office for approval by the NHTSA Regional Administrator. The request shall be included on the ISP and will describe the type of and a complete description of the equipment, and how the equipment would support the State's highway safety program.

If approved, the HSO Project Manager shall inform the subrecipient to proceed with the equipment purchase by sending a written communication, ensuring the equipment is included in the approved budget, and providing specific instructions and documents for the purchase of the equipment.

When making the equipment purchase, the purchaser should also obtain the expected service life and warranty of the equipment from the vendor or the manufacturer. Once the equipment has been purchased all documents will be completed signed and dated and included in the HSO Capital Equipment log and scheduled for annual inspection.

The NHTSA Highway Safety Grant Funding Guidance, Part IV.A. states that costs for construction, rehabilitation or remodeling of any buildings or structures or for the purchase of office furnishings and fixtures are **unallowable**. The following are some examples:

| | | |
|---|---|---|
| chair | bookcase | portable partition |
| table | filing cabinet | pictures or wall clock |
| shelving | floor covering | draperies and hardware |
| coat rack | office planter | Fixed lighting/ lamp. |

Part IV.A. of the Guidance should be consulted for other unallowable costs and equipment costs.

The HSO, as part of its oversight responsibility, shall systematically monitor all subrecipients with grant-funded equipment in accordance with State laws and procedures to ensure that subrecipients are in compliance with all Federal and any State requirements for property management, inventory and disposition. Equipment shall be used by the subrecipient for the purpose for which it was acquired as long as needed, regardless of whether the program continues to be supported by HSO funds. When no longer needed for the original program, the equipment may be used in other traffic safety activities. If it is determined that the equipment is no longer needed for the purpose acquired or any other traffic safety purpose, the equipment shall be handled in accordance with HSO policy and Federal requirements**.**

Prior written approval must be received from the NHTSA Regional Office by the HSO for the disposition of equipment with a value of $5,000 or more unless the equipment has exceeded its useful life as determined under State law and procedures.

Disposition of equipment must follow the Colorado asset disposal policies and must be coordinated with the State Procurement Department. See Chapter V. Grant Administration and Management, Section G. Property Management

## F. REPORTING REQUIREMENTS

The HSO requires three types of progress reports in conjunction with traffic safety grant projects: periodic (quarterly) progress reports during the life of a grant, a final report at the conclusion of a grant (this is the only reporting requirement of a Mini Grantee), and special reports as required, including the annual report template.

Progress reports provide the HSO with information that can be used to strengthen the State's overall traffic safety program. These reports should keep the HSO informed of a grant's progress, explain any difficulties encountered, provide background information that can be shared with others, and suggest ways in which the HSO can assist and aid in the distribution of funds.

### i. Quarterly Progress Reports

The reports are to be submitted quarterly and are due in the HSO within not less than twenty (20) calendar days after the end of the reporting month. A report must be filed every quarter regardless of whether no activity has taken place or no grant related expenditures have occurred. The HSO *Project Manager* shall include in the annual Pre-Work meeting the report due dates to each subrecipient.

The report should indicate if no progress has been made on the project and original or innovative ideas or methods employed in the project should be incorporated into the reports.

### ii. Final Progress Report

Final reports are due from subrecipients to the HSO no later than November 15 for activities funded in the previous fiscal year. The reports are to be detailed and must describe whether the grant objectives were accomplished, if technical and fiscal problems were encountered, and what improvements in traffic safety have resulted or probably will result. Included in final reports will be copies of publications, training reports and any statistical data generated in grant execution. Final reports should discuss the following:

Accomplishments compared to the original grant objectives.

Were all activities of the grant completed as scheduled? Dates and milestones when studies were completed should be included.

Equipment purchased should be identified.

Any unanticipated issues that affected the grant.

Funding and costs for completion of the grant in relationship to the original estimates.

Third party performance if applicable. A copy of any consultant reports should be included with the final report.

### iii. Special Progress Reporting

Special reporting may be required. If so, reporting frequency and requirements will be detailed by the HSO in the grant agreement. However, performance reports will not be required more frequently than quarterly except for unusual circumstances, see 49 CFR Part 18.40 prior to FY2016 and 2 CFR Part 200.327 for FY2016 and forward. If the grantee completes surveys or other evaluation activities those results should be included with the monthly claim. If progress is shown the PM know immediately, conversely, if progress is not shown or problems are indicated the HSO can offer immediate assistance.

### IV Annual Report

The Annual Report Template is due to the HSO by November 15 of each year. The report will be included in the HSO HSP Annual Report document which conveys results of all funded programs and impact on targeted problem areas.

The template is limited in space requiring the detail to be concise and to articulate the success of the program and how those successes contributed to the HSO HSP objectives and goals.

## G. GRANT REVISIONS

**Proposed grant applications and final grant agreements may be altered or amended prior to or after signing by mutual agreement of the parties. The alterations or amendments are not binding unless they are on the Grant Revision form. The request and approval may be completed via email.**

**If additional tasks or costs are authorized, the subrecipient must not begin work on the additional tasks or incur the additional costs until the written approval has been received. An amendment cannot be used to authorize new or different work not related to the scope of the grant being amended.**

**Subrecipients must have any amendments to a grant executed not less than 90 days prior to the end of the applicable grant year.**

The following deviations from the approved grant budget require PRIOR approval from the HSO:

A specific item of cost not included in the approved budget

An increase in the number of a specific item over and above the total authorized

A transfer between major budget categories in excess of a total of 10 percent of the category being increased. (For transfers of less than a total of 10 percent of the category being increased, the Grant Revision form is still required but no formal notification to NHTSA is required.)

The HSO procedure for review and approval of grant agreement revisions is:

Subrecipient submits via email or phone request for a Grant Revision form from their PM

*Project Manager* will review the Grant Revision request and makes a recommendation for approval or denial.

If recommended for approval, the *HSO Program Manager* forwards the Grant Revision request to the HSO Administrator for approval and notifies the subrecipient in writing. All related paperwork is retained in the grant file and on the EDM.

If the grant revision results in an addition of funds to the original grant agreement, the *Project Manager* will revise the Grant ISP and submit to the Program Manager for submission to NHTSA (note: NHTSA only reviews and approves changes of a "substantial" nature – all requests will be forwarded to the Department Manager who will determine when/if the request goes to NHTSA). Once approval is received, the funds will be encumbered in SAP and the subrecipient will be notified to proceed. (See Chapter VI. Fiscal Procedures, Section D. Grant Tracking Spreadsheet).

If recommended for denial, the *Project Manager* prepares an explanation for the denial and notifies the subrecipient. All related paperwork is retained in the grant file and on the EDM.

The HS-217 is required to be resubmitted by the HSO to for substantive changes. The NHTSA Regional Office Prior to any reallocation of funds between program areas or changes including an updated list of projects under each program area. The amended HS-217 and list of projects is subject to the approval of the NHTSA Regional Office, see 23 CFR Part 1200.32.

NOTE: Revisions to the SOW, change in key personnel, and inability to work on the grant for more than three months also require a Grant Revision request, review, and approval. Failure to acquire necessary approvals may result in disciplinary actions up to and including cancellation of the grant.

## H. DEVELOPMENT OF HIGHWAY SAFETY OFFICE INTERNAL GRANTS

In anticipation of the beginning of each new fiscal year, the HSO Administrator and *Department Manager(s)* will estimate how much funding is needed for Planning and Administration (P&A) and Program Management costs to support the operation of the HSO highway safety program. Estimates will take into consideration any anticipated increases in costs as well as in recurring costs. A Funding ISP will be completed and approved for each program operated by the HSO and will describe the problem identification, targets, objectives, activities, performance measures for the upcoming year. The HSO internal grant agreements will be approved by *NHTSA via their approval of all programs. The Program Control Analyst is* designated as the Project Director for the HSO P&A grant.

Definition of P&A Costs: P&A costs are those direct and indirect expenses that are attributable to the overall management of the State's Highway Safety Agency. Costs include salaries and related personnel benefits for the Governor's Representative for Highway Safety and for other technical, administrative, and clerical staff, for the HSO. P&A costs also include other costs, such as travel, training, equipment, supplies, rent and utility expenses necessary to carry out the functions of the HSO. See 23 CFR Part 1200, App. F (b.)

Definition of Program Management Costs: Program management costs are those direct and indirect expenses that are attributable to the highway safety program area. Costs include salaries and related personnel benefits and other related costs such as travel, equipment, training, and materials and supplies. See 23 CFR Part 1200, App. F (b).

All costs related to internal operation of the HSO program will be charged only to the HSO internal grants. For ease of balancing to CDOT Grant Accountant's monthly voucher a SAP detail report will be completed for all P&A and Program Management tasks.

## I. P&A MATCH REQUIREMENT

The *Program Control Analyst* and HSO Administrator shall ensure that the internal P&A grant complies with applicable Federal regulations including the provision of a match of State or local funds in the amount of 50 percent of the costs claimed for eligible P&A functions. These requirements are contained in the NHTSA Highway Safety Grant Funding Guidance Part I.A and B. See Chapter VI. Fiscal Procedures, Section C. Matching Funds. Match is defined as the direct expenditure of actual State funds or State or local funds that are expended in support of other qualifying traffic safety programs (such as, the salaries of highway safety related, State-funded employees) and have not been utilized by another Federal, State or local agency as matching funds for a separate Federal project. The State must have documentation to support an audit. States can carry over unexpended P&A funds if they were programmed in GTS by September 30. The CDOT grant accountant will voucher only 50% of the P&A WBS costs thereby ensuring the match requirement.

The Federal P&A share shall not exceed 50 percent of total P&A costs, except for select States using the sliding scale for match (See NHTSA Order 462-6C Matching Rates for State and Community Highway Safety Program). From its annual State appropriations, the Department shall ensure the availability of the funds needed by the HSO to support the program match for the State's P&A share. If the State is using any HSO indirect costs as a P&A match, the costs shall only be applied to P&A expenditures.

The HSO shall limit Federal participation in P&A funding to not exceed 50 percent (or the applicable sliding scale rate) of the total cost of such activities. The HSO shall ensure that the Federal contribution does not exceed 13 percent (increased from 10 percent beginning FY2014) of the total new funds the State receives annually under Section 402 and for Section 154 and 164 transfer funds (when used for section 402 purposes to support alcohol-impaired driving programs). See Appendix F of 23 CFR Part 1200 and the NHTSA Highway Safety Grant Funding Guidance Part I.A. and B**.**

If a HSO is found by NHTSA to have miscalculated or not provided sufficient P&A match, the correct amount will be determined by NHTSA and the HSO will be required to take the appropriate corrective action.

ii. HSO Employee Time Allocation and Certification Requirements

As provided by 2 CFR Part 225 Appendix B (8) (h) prior to FY2016 and 2 CFR Part 200.430 for FY2016 and forward, charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with the generally accepted practice of the governmental unit and approved by a responsible

official(s) of the governmental unit. CDOT's SAP time capturing system has been approved by NHTSA as adequate documentation of time charged to the grant.

For FY2016 and forward 2 CFR Part 200.430 requires the HSO to rely on strong internal control standards and allows more flexibility on how to meet those standards. Personnel activity reports (PAR) are no longer required by the CDOT HSO as the SAP time input sheet documents the activity and time expensed to the P&A. Part 430 (i) establishes *Standards for Documentation of Personnel Expenses*. Part 430 (8) states that where the records of the subrecipient does not meet these standards, the Federal agency may require PARs including certifications that support the records as required by this section.

For HSO employees working on P&A functions, the HSO shall ensure that only direct and indirect expenses for salaries and other costs that are attributable to the overall management of the State's HSP and necessary to carry out its functions are charged to P&A. The HSO shall ensure that employees who process grant claims or perform other P&A type duties are working on P&A for only the applicable fund program type e.g. an employee charging 100% to 410 or 154AL P&A must work on P&A only for alcohol programs. See Appendix F to 23 CFR Part 1300 - P&A Costs which states that if the HSO elects to allocate costs based on actual time spent, the recordkeeping system must be approved by the appropriate NHTSA Approving Official. Other costs such as travel, postage, fleet costs may be charged to the P&A and other support tasks function when the activity is directly related to Program and Administration. This detail will be kept in the file folder for review upon request.

NOTE: Other charges that may appear in P&A

Postage is created when an HSO employee mails items related to their grants and the "charge to" detail is written directly on the envelope and taken to the mail room. Fleet reservations are approved by the manager but the document is given to Fleet for the creation of the journal detail. These costs are minimal and unless there is a question, detail will not be available in the folder except for the journal detail in SAP. Travel Expense reimbursements are kept in accounting and will be pulled copied and kept in the Support Task's claim folder. This will be done at grant year end but the reimbursement can be pulled at any time if requested. There are just too many reimbursement types passing through the OTS to consistently ensure copies are made for the file as they are paid. The employee, the manager, the PCA, and the business office all review and approve these reimbursements prior to paying so accuracy of expensing detail will not be an issue.

The HSO's Program Control Analyst shall periodically examine the process and the cost data used to determine employee time allocation and certification methods to ensure continued accuracy and amend the data when significant changes occur. The HSO shall ensure that documentation for costs vouchered to P&A and program management are charged as described in the HSP and will periodically determine compliance through review of the HSO employee timesheets.

iii. Time and Attendance Records

All employee time and attendance records shall be approved in SAP by the appropriate supervisor or timekeeper as required by State law, regulation, rule, policy or guideline. The attendance record of salaried employees should also be accurately documented whether federally funded or funded by State match.

TRAINING TIME: When training is undertaken to prepare a replacement employee, both will expense their time to the same support or P&A task. If training is undertaken for cross training or coverage, then the trainee will charge their time to their normal expense location not to the grant.

LEAVE TIME: When an employee is charging time to more than one award (e.g. 402 and 405) the allocation of leave time must be equitably and reasonably charged to the funds. CDOT SAP Time Sheet and cost allocation process does not charge leave time to the grants; all PTO is currently expensed as a State expense. The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences, such as annual leave, sick leave, holidays, etc., although allowable are also not charged to the grant.

iv. Subrecipient Timekeeping Requirements

Subrecipients of Federal awards are subject to the same requirements for time allocation and certification as the primary award recipients. The CDOT HSO requires a PAR from all employees with detailed hours worked and activities completed. This same level of documentation is required from all sub-contractors the HSO strongly encourages the same level of activity detailing for the time paid to these contractors. The HSO requires that all personnel services whether employee or contractor be tracked on the PAR form and submitted monthly with the claim.

v. HSO Invoicing and Reporting

The HSO shall complete and submit within 15-days from the end of each month, GTS Vouchers to NHTSA to request Federal reimbursement for allowable costs and prepare progress reports if requested by NHTSA for documenting the activities completed for the internal grants. The requests for progress reports is infrequent as the Colorado NHTSA representative reviews files on a quarterly basis so questions or concerns are addressed at that time.

The voucher submission is completed by the Accounting Department's Grant Accountant and verified by the Business Office Budget Analyst.

See Section F. Reporting Requirements, for additional information regarding subrecipient progress reports.

# Chapter V

## V Grant Administration and Management


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## A. OVERVIEW

As with the application and project selection processes, the Project Managers have principal responsibility for program management. This includes:

Grantees are properly registered on SAM, provide DUNS# and proof of Insurance prior to funding. Grantees are not on the Federal Suspended and Debarred listing

Ensuring that funds are booked or obligated in the GTS

Ensuring that funds are booked or obligated in SAP

Funds are tracked throughout the year

Contracts or purchase orders are prepared and routed for signature in a timely manner

In-house projects or tasks including Planning and Administration, the Roadway Program, the Public Information Program, technology transfer tasks and others meet the same management criteria as contracts with outside vendors

All project reporting and financial management requirements are met- Ex: claims are timely and accurate, progress reports are reviewed and shortfalls are corrected.

Projects are monitored as required, including Risk Assessment, site visits and pre-work meetings

Capital equipment is accounted for properly

Required audits are obtained

Project files are maintained.

**Federal Highway Safety Programs.** After the FAA 217 has been approved by NHTSA, safety program staff may proceed with the contracts and agreements process. Contracts and agreements may be created and required signatures obtained prior to the approval of the FAA 217; however, the CDOT Controller will not approve the contract or agreement until funds are booked into the GTS and SAP.

The Grant Tracking System (GTS) is the NHTSA system which electronically tracks the planned expenditures contained in the ISP, the dollars obligated to a task or in-house activity, actual expenditures, revisions to the ISP funding, and state match and local benefit requirements. Local benefit is prescribed in 23 CFR 1250 and requires at least 40 percent of all federal funds apportioned to be expended by political subdivisions of Colorado.

## B. GRANT MANAGEMENT

The HSO employee responsible for the day-to-day oversight of a grant is called the *Project Manager* The *Project Manager (PM)* is responsible for tasks associated within their program area(s) of responsibility (for example, impaired driving) including final grant agreement preparation, execution, and administration. Failure to perform these tasks correctly can result in significant grant management and payment problems.

The *PM* will monitor and evaluate the subrecipient's performance and will expedite invoice processing without unnecessary delays.

The *Project Manager* will NOT:

Impose any task upon the subrecipient or permit any substitute activity not specifically provided for in the grant agreement or in the approved Grant Revision Document

Give direction to the subrecipient or employees of the subrecipient, except as provided in this document

Approve expenses for activities that do not meet performance specifications contained in the grant agreement

Authorize expenditure of funds except in accordance with the specific terms of the grant agreement

Offer advice to the subrecipient that may adversely affect performance, compromise HSO's rights, or provide the basis of a claim against the HSO that may affect any pending or future determination of fault or negligence

Authorize or agree to any change in the grant agreement, standard provisions, certifications, project period, delivery schedule, maximum amount eligible for reimbursement, or other terms and conditions of the grant agreement, unless such change is specifically approved, revised, and authorized in the grant agreement

Allow supplanting (e.g. replacing routine and/or existing State or local expenditures with the use of Federal grant funds and/or using Federal grant funds for costs of activities that constitute general expenses required to carry out the overall responsibilities of State, local, or Federally-recognized Indian tribal governments. See Section K. Supplanting.)

Promise that a future grant or extension of a grant for another year is approved prior to the HSO approval.

## C. SUBMISSION OF CLAIMS

i. Conditions

Reimbursement of costs under a final grant agreement is contingent upon the following conditions:

The availability of appropriated funds

Actual costs having been incurred (services provided, hours worked, etc.) in accordance with the approved project budget

Compliance with the cost principles established in the Office of Management and Budget (OMB) circulars referenced in the grant agreement

**All subrecipients use an HSO provided Grantee Reimbursement Claim form (referred to as "Claim for Reimbursement") to "bill" the HSO for costs incurred under the terms of grant agreements. All subrecipients will execute a *CDOT form 1069 along with other required CDOT forms, i.e. employee expense reimbursement, PAR, Expense Summary (when applicable)* to submit costs for reimbursement**.

ii. Payment Procedures

The HSO has established the following payment procedures for subrecipients.

Subrecipients shall submit claims to the HSO on a monthly basis regardless if there are expenses or activities.

Subrecipients shall submit separate claims for expenditures under each Federal program funding area for which they are seeking reimbursement.

All claims for goods received or services performed on or prior to *September 30* of the grant year must be received by the HSO no later than *November 15.*

Claims for goods received or services performed between *October 1* and *September 30* of the grant year must be received by the HSO no later than *45 days after the end of the month for which the expenditure was incurred.*

Claims received after the above cutoff dates may not be reimbursed. A 45-day non-payment notice will be sent to grantees that have not submitted their claim timely. A corrective action plan will be required to grant a one-time exception to the non-payment notification. Subrecipients are responsible for informing their accounting office of the above invoice submission deadlines.

iii. Documentation

**The HSO requires the subrecipient to submit and maintain complete financial and programmatic documentation of all claims in the form of source documents to support the amounts claimed. The HSO requires that the subrecipient submit the source documents with their claim (unless instructed otherwise) including time sheets, receipts, and other records of costs incurred. Such records, and other records reasonably considered as pertinent to program regulations or the grant agreement, are required to be**

**maintained by 49 CFR Part 18.42 prior to FY2016 and at 2 CFR Part 200.333 for FY2016 and forward and must be retained for a period of three years after submittal of the final claim to the HSO.**

iv. Reimbursement Policy

The HSO requires all agreements to include a "maximum amount eligible for reimbursement." This maximum amount is the total grant reimbursable amount and is the HSO's share of the estimated grant cost. The budget will identify each cost category and is recognized as an estimate and actual cost will be paid but not to exceed the maximum amount approved in the grant agreement. (A line item in the budget is the authorization for funds to be expended on that item.) If an item is not included in the budget a prior approval is required to add or change the approved budget.

Grants do not allow payment of any profit to the subrecipient. If the HSO or a subrecipient subcontracts with a commercial (for profit) firm, the fee becomes an actual cost and is eligible for reimbursement if all other payment criteria meet the terms of the agreement.

v. Advances

Capital advances are not allowed. Reimbursement will be made only for costs incurred during the grant period. The incurrence of cost depends on the accounting system used.

When cost is incurred, if:

1. An **accrual** accounting system is used, then cost is incurred when a recorded liability exists. (Examples include purchase order issued and product received, invoices, bills of lading, vouchers of individual travel performed, and cash receipts of expenses incurred. Advances for anticipated costs are prohibited.)

2. A **cash** accounting system is used, then cost is incurred when a cash disbursement has been made.

The HSO will review all proposed and submitted costs to determine that they are necessary, reasonable, and in compliance with applicable cost principles. The *Program Control Analyst* is available to assist HSO in the analysis if requested to do so.

## D. PUBLIC INFORMATION AND EDUCATION (PI&E)

*NHTSA issued significantly revised guidance regarding Public Information and Educational materials which became effective January 19, 2016. See "NHTSA Memorandum Use of NHTSA Funds to Purchase Items for Distribution".*

i. Promotional Items Prohibited

No promotional items or memorabilia are allowable costs under Federal grants (see below). Use of NHTSA grant funds to purchase promotional items or memorabilia is illegal and could result in a Management Review finding and the requirement to repay the misused funds.

An unallowable promotional item is an item whose purpose is to be used as an incentive, to increase goodwill or that is a giveaway. Distribution of items where the recipient keeps the item after the event (whether to members of the public at a State fair, to groups at a training event, or to police officers to maintain partnerships) is never a necessary expense for performance of projects under the grant.

In order for a State grantee or a subrecipient to give out items that are paid for using Federal funds, there must be specific statutory authority. NHTSA (and by extension, NHTSA fund recipients and subrecipients) has only two authorities of this kind. States may use Section 405 occupant protection funds to provide child restraints to low-income families, subject to a cap of 5% of funds received. 23 U.S.C. §405(b)(4)(A)(v). NHTSA also has authority under 49 U.S.C. §20134 to "purchase items of nominal value and distribute them to the public without charge as part of an education or awareness program" to promote railroad grade crossing safety.

NHTSA clarified on February 12, 2016, that this does not apply to the purchase of child restraints and bicycle helmets in the current FY16. States and State subrecipients may continue to purchase these items using Section 402 highway safety grant funds for FY16 programs.

States and State subrecipients may use State funds or privately collected funds/private sponsorships to purchase promotional items, subject to applicable State laws and policies. Items donated by private entities are considered program income subject to the applicable regulations, see Section J. Program Income.

ii. Educational Materials

Any use of NHTSA grant funds must support State traffic safety goals. When determining whether to purchase educational materials, a State or subrecipient should use good judgment as a responsible caretaker of tax dollars intended to support traffic safety. As always, all costs charged to NHTSA highway safety grants must be within the scope of the grant, address a highway safety problem, and help meet performance measures. Paper, pamphlets, flash drives and CD-ROMs that contain educational materials are allowable because their purpose is to contain and convey educational information. In order to be considered educational, distributed material must provide substantial information and educational content (not merely a slogan) to the public and have the sole purpose of conveying that information. If a recipient or subrecipient chooses to provide educational content on a flash drive or CD-ROM, that device must be an economical method of conveying the information.

Examples of allowable educational materials are:

Traffic safety-themed coloring book given to children at a school event, state fair, etc.

A pamphlet including statistical information such as "X number of people lose their lives every year when not wearing a seat belt" and safety tips distributed at a state fair.

A flash drive containing information about the dangers of texting and driving (i.e., statistics, ideas to prevent texting while driving).

A folder containing information about child passenger safety (i.e., statistics car seat/ booster seat laws, proper car seat installation and use, danger of leaving children unattended in hot or cold cars, etc.) and relevant safety tips provided to parents at a car seat inspection station.

A CD-ROM or flash drive containing training/conference materials given to attendees at a highway safety conference hosted by the recipient/subrecipient.

The content of all newly developed PI&E materials to be purchased with Federal funds must be submitted to the HSO for written approval prior to final production.

Examples of <u>unallowable</u> promotional materials are: (see January 19, 2016 NHTSA memo Funds to Purchase Items for Distribution)

Bumper stickers, and/or texting thumb bands given to members of the public at a state fair

Keychains and/or pens given to groups at a training event.

T-shirts for volunteers at a state fair or car seat installation center (either as an incentive or to designate staffers as a team)

Shirts for Law Enforcement Liaisons, shirts or hats worn by participants in a press event

Helmets given to participants in a bike rodeo to take home

Challenge coins, when ordered in bulk and kept on hand to give to many people outside of a limited formalized recognition program (for example, given to all attendees at a conference, to police officers in the ordinary course of employment)

Items such as flashlights, general law enforcement equipment, duty bags, jackets or even plaques given to members of law enforcement to encourage or incentivize participation

A folder or binder given to attendees at a conference that is more expensive than necessary to hold the provided materials. The cost of folders or binders must be reasonable the purpose is to hold information not provide a gift.

Reproduction of NHTSA or other Federal government endorsed material already approved is permissible without HSO approval. The cost of the items must still, however, be included in the grant agreement budget and define the following:

Target audience

Explanation of how the activity will help meet the objective of the project

Description of how the results of the activity will be used and reported

Promotional items cannot be freely distributed to the public without any action on a recipient's part. Persons receiving promotional items should interact with the subrecipient in some manner related to the goal of the project to receive them, such as attend a presentation, sign a pledge sheet, fill out a survey form, answer a traffic safety question, etc. The results of the interactive activity must be reported in the quarterly progress report.

**iii. Safety Supplies and Equipment**

An item that serves a safety function required to protect personnel during performance of a project is an allowable project expense. To qualify, these items must be supplies or equipment needed to carry out work under the grant and are kept for use by the program, **not** distributed for retention by the recipient. An example is a reflective safety vest for use by an employee conducting a roadside survey at night and retained by the program. Other examples are provided in the NHTSA Memorandum.

**iv. Recognition Awards**

NHTSA highway safety grant funds may be used to purchase awards, where appropriate, under a formalized program that recognizes superior performance or exceptional contributions to the purposes served by the NHTSA grant. An appropriate award may be a certificate, plaque, coin, or medal, if it is given under a limited, formalized recognition program. An example is a plaque given by the SHSO to a police department at the annual highway safety conference for specific outstanding enforcement efforts. Other examples are provided in the NHTSA Memorandum.

**v. Advertising**

The Uniform Guidelines for the Section 402 program provide that "the State should enlist the support of a variety of media, including mass media, to improve public awareness and knowledge and to support enforcement efforts about seat belts, air bags, and child safety seats." Advertising at this level is managed by the CDOT Public Relations Department.

The limited purchase of media time or space (television and radio ads, ads for social media, banners and posters) for traffic safety grant-funded PI&E campaigns is permitted and must be specifically approved by the HSO and be included in the HSO Highway Safety Plan (HSP). Examples of allowable advertising materials are provided in the NHTSA Memorandum.

Federally-funded public service announcements or video materials intended for television or cable television must be closed captioned.

Subrecipients that obtain grant funds to support paid advertising are subject to the same requirements as the HSO and would need to provide the required Federal reporting information in their progress reports to the HSO. See Chapter II. Planning, Section O. Advertising, for guidance on the specific Federal requirements pertaining to paid advertising. The HSO has limited sub-recipient advertising efforts to target audience publications, i.e. high school yearbooks, Senior Center Publications, local newspapers, flyers and similar limited advertising.

Federal funds are to be used only for certain specified advertising and public relations costs. *See* 2 C.F.R. § 200.421.

The only allowable advertising costs are for:

Recruitment of personnel required for performance of a Federal award;

Procurement of goods and services for the performance of a Federal award;

Disposal of scrap or surplus materials acquired in the performance of a Federal award except when reimbursed for disposal costs at a predetermined amount; or

Program outreach and other specific purposes necessary to meet the requirements of the award.

The only allowable public relations costs are for:

Costs specifically required for the Federal award;

Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of the Federal award; or

Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of funding opportunities, financial matters, etc.

The Uniform Guidance *excludes* all other advertising and public relations costs, and *specifically excludes* "costs of promotional items and memorabilia, including models, gifts, and souvenirs". See **2 CFR Part 200.421(e)(3)**. Federal grant funds are *never* available to cover the costs of promotional items and memorabilia. The Uniform Guidance has other provisions that may apply to certain items that fall with the above categories. Certain educational items may be subject to the provision on **Conference Costs**. **Subpart E** on Cost Principles of the Uniform Guidance should be consulted to determine if there are any additional provisions that pertain to a particular items or use of that item.

vi. Sports Marketing

When considering communications, public information and paid media expenditures that involve attendance at sporting and entertainment events that charge admission, specific tests must be applied in order to ensure compliance with 2 CFR Part 225, Appendix B.14. Costs of entertainment prior to FY2016 and **2 CFR Part 200.438** for FY2016 and forward. This section states that such costs (i.e. tickets to shows or sports events) are unallowable. The tests that should be applied and additional useful guidance has been provided in the **NHTSA Guidelines for Sports Marketing January 22, 2011** which is posted on the GHSA web site in the Members Only section. The HSO must also determine whether any State or local regulations concerning the purchase and acceptance of tickets to entertainment-related events may apply.

## E. PROCUREMENT OF GOODS AND SERVICES - CONTRACTS

The HSO shall follow the State and Department procurement rules and regulations for the purchase of goods and services for the direct use and benefit of HSO operations, see 2 CFR Part 300.317. Questions regarding the procurement rules should be directed to the *Program Control Analyst – liaison to Procurement.* Purchase Orders and contracts must include the subrecipient certifications and assurances required of all subrecipeints. For FY2016 and forward, all other non-Federal entities, including subrecipients of a State, will follow 2 CFR Part 200.318-200.326. The HSO and Procurement have developed State Controller Approved contracting templates which are monitored periodically to ensure compliance the State and Federal guidelines. All subrecipient contracts and professional service agreements are audited by the PM and/or PCA to verify compliance with the established State and/or local procurement procedures.

### i. State Contracts

The Procurement Department establishes contracts for goods and services for use by all State agencies.

Establishment of these contracts has two primary goals. The first is to facilitate the purchasing process. A procurement officer may purchase according to the terms of the contract without additionally seeking determinations for single source or limited competition. This provides a significant savings in time to process.

The second goal is to secure good pricing through the leverage of the State's purchasing power. Even though it is occasionally possible to secure pricing on spot purchases which is better than the contract pricing, use of the contracts is mandatory unless specifically stated otherwise. Goods and services for which mandatory term contracts have been issued must be purchased only from the contract vendor. The contractors have provided prices over the entire period of the contract in exchange for the State's offer to place all of our orders with them. The Department must abide by the terms of the contract.

There is no monetary limit on purchasing from contract awards unless specifically noted in the contract.

If commodities or services are being purchased on the open market on a continuing basis, it should be brought to the attention of the appropriate Procurement section or the appropriate Contracts section for consideration of the establishment of a contract award.

### ii. Department Procurement Procedures

HSO procurement actions shall be accomplished in compliance with the State Procurement Code; the State Administrative Code; the State Administrative Manual; the Department's Delegation of Authority; and the Department's policies and procedures relating to procurement and contracting. All approved grants exceeding $100,000 require completion of a contract. The Project Manager will complete and submit the required checklist, Exhibit A – Scope of Work, Exhibit B Budget and SRM Shopping Cart to the Program Control Analyst for review and submission to the appropriate contract writer.

## F. FOOD/BEVERAGE COSTS

i. HSO and Subrecipient Purchases – Federal Requirements

In addition to the Department restrictions, Federal traffic safety grant regulations only allow the reimbursement of meeting and conference costs including meals, transportation, rental of meeting facilities and other incidental costs when the training supports objectives of the State's highway safety program. This requirement applies to the HSO and subrecipients. See **NHTSA Highway Safety Grant Funding Part III Allowable Costs, C. Training**. An agenda and participant roster must be maintained to document the primary purpose of the meeting. Unallowable training costs include an individual's salary while pursuing training (except when the salary is already supported with highway safety funds under an approved project) and overtime for police officers attending drug recognition expert (DRE) training, see **NHTSA Highway Safety Grant Funding Guidance Part IV Unallowable Costs, C. Training**.

Any NHTSA paid HSO meeting or conference costs will include documentation as will subrecipient's claims describing the date, location, number of attendees, the food and beverage items purchased and a description of the meeting purpose.

Costs of alcoholic beverages are unallowable. Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable, see NHTSA Highway Safety Grant Funding Part IV Unallowable Costs D. Program Administration. For additional information, refer to 2 CFR Part 225 (OMB Circular A-87) Appendix B, Item 3 and Item 14 for prior to FY2016 and for FY2016 and forward 2 CFR Part 200.423 Alcoholic beverages and 2 CFR Part 200.438 Entertainment.

See also See also Section D. Public Information and Education (PI&E), iii. Sports Marketing and Chapter VI. Fiscal Procedures, Section E. Allowable Costs.

ii. HSO Purchases – COLORADO State Requirements

1200.1 Procedural Directive on Official Functions states. Expenditures must be kept to a minimum and not have the potential of being perceived to be for personal benefit and an abuse of public funds. Remember that prior approval is required for everything that costs something, including meals, and snacks. Appointing Authorities should use significant restraint in exercising their discretion approving the purchase of food/beverages for employees with CDOT funds or other funds. See Full Directive found on CDOT intranet site.

## COMPLIANCE WITH TITLE VI NON DISCRIMINATION.

**28 C.F.R. pt. 42, subpart C – Nondiscrimination in Federally Assisted Programs – Implementation of Title VI of the Civil Rights Act of 1964**

The Highway Safety Office is compliant with all Federal, State, and CDOT directives regarding Title VI.

| | |
|---|---|
| **Long title** | An act to enforce the constitutional right to vote, to confer jurisdiction upon the district courts of the United States of America to provide injunctive relief against discrimination in public accommodations, to authorize the Attorney General to institute suits to protect constitutional rights in public facilities and public education, to extend the Commission on Civil Rights, to prevent discrimination in federally assisted programs, to establish a Commission on Equal Employment Opportunity, and for other purposes. |

### A. General Requirements

1. All CDOT Division directors shall ensure that all contracts and agreements, solicitations for bids and Requests for Proposals regardless of the funding source include the required nondiscrimination language from the USDOT Standard Title VI/Non-Discrimination Assurances, DOT order No. 1050.2A.

2. All CDOT employees whose job responsibilities include publishing notices of meetings to which the public is invited shall:

a) Include in all notices the language set forth in the Limited English Proficiency (LEP) Guidance Document The meeting notice must include LEP interpretations and translation services if the contact person listed in the meeting notice receives a request for translation or interpretation services. The contact person will consult with the Title VI Coordinator.

3. All program managers, division directors and supervisors in the programs identified in Appendix A shall comply with the Title VI Implementation Plan and Requirements of this Directive (604.1) See Directive for complete requirements.

4. All CDOT employees must cooperate with the Title VI Coordinator in providing any and all requested information.

5. All CDOT employees, including Regional Civil Rights Managers, shall notify the Title VI Coordinator within three business days of any written or verbal complaints of discrimination they receive from a member of the public engaging in business with CDOT.

A Title VI complaint is the method whereby a person engaging in business with CDOT may allege discrimination based on race, color, national origin, sex, age or disability.

The follow9ng CDOT divisions or programs must adhere to the requirements of the Title VI non-discrimination as set forth in the Title VI implementation Plan and this procedural Directive:

Multimodal Planning Branch, Division of Transportation Development

Environmental Programs Branch, Division of Transportation Development

Applied Research and Innovation Branch, Division of Transportation Development

Safety (which includes Office of Transportation and Safety (OTS) and Transportation Systems Management & Operations (TSM&O)

Right of Way Office, Project Development Branch, Division of Project Support

Construction (as coordinated by CRBRC staff)

## II. Authorities

The following are the relevant federal authorities and resources that require CDOT staff to provide LEP persons with meaningful access to programs, activities and services:

- Title VI of the 1964 Civil Rights Act
- Executive Order No. 13166 (Aug. 16, 2000) – Improving Access to Services for Persons with Limited English Proficiency
- Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficient (LEP) Persons, U.S. Department of Transportation, (Dec. 14, 2005)
- Policy on Non-Discrimination, Colorado Department of Transportation Policy Directive 604.0 (Jan. 27, 2014)

## . PROPERTY MANAGEMENT

i. Federal and State Requirements and Thresholds

Federal requirements regarding the use, management and disposition of grant-funded equipment are found in 23 CFR §1200.31, and specify that the State and their subrecipients manage and dispose of equipment acquired under 23 USC Chapter 4 in accordance with State laws and procedures. Additional guidance from NHTSA can be found on the GHSA web site in the Members Only section, Management Review Materials/Equipment Management in a NHTSA Q& A dated July 2009.

State laws and procedures pertaining to property management are found in the *Procurement Manual*, which establishes requirements that all Departments and agencies must follow regarding the management of State property. Title 24. Government – State Procurement Code Article 101. Procurement Code – General Provisions Part 1. Purposes, Construction and Application - *C.R.S. 21-101-105 (2014). Assets purchased with Federal Dollars are normally recorded on the subrecipient's assets listing and are not considered CDOT property. CDOT should be listed on the title and insurance and repositioning or disposal of the asset will be completed in compliance with Colorado and CDOT's disposal guidelines. Prior to reimbursement of the capital equipment, a initial inspection is completed and an asset agreement must be completed and signed by subrecipient.*

The HSO staff will ensure compliance with all applicable Federal and Department policies Project Managers in conjunction with the Program Control Analyst and Capital Equipment Administrator.

For equipment with a useful life of more than one year and an acquisition cost of $5,000 or more, see Chapter IV. Grant Selection and Execution, Section E. NHTSA Equipment Purchase Approval of $5,000 or More.

ii. Subrecipient Property Management Systems

Subrecipients must establish and administer a system to procure, control, protect, preserve, use, maintain, and dispose of property furnished to them by the HSO or purchased through a grant, sub grant, or other agreement in accordance with their own property management procedures, provided that the procedures are not in conflict with the standards contained in this section or Federal property management standards procedures specified in 49 CFR Part 18.36 prior to FY2016 and **2 CFR Part 200.313 Equipment** for FY2016 and forward as appropriate.

Any property purchased, regardless of the unit cost, must be specifically authorized in the grant agreement and approved by NHTSA. Equipment and other property acquired under a grant agreement for use in highway safety projects shall be used and kept in operation for highway safety purposes.

State Agencies: Property management standards described in the *Procurement Code* will be used in accounting for equipment purchased under the agreement.

Local Agencies and Other Non-State Subrecipients: Standards for property management described in 49 CFR Part 18.32(c) through (e) prior to FY 16 and **2 CFR Part 200.313 Equipment** for FY2016 and forward will be used in accounting for equipment purchased under a grant agreement. The Applicant Agency shall seek disposition instructions from the HSO prior to disposing of any item of equipment purchased. The subrecipient may follow their own existing property management standards if they exceed the Federal requirements.

iii. Subrecipient Property Records Requirements

The subrecipient property management requirements include, but are not limited to, annual inspection of the equipment, the maintenance of accurate property records. Such records will include:

A description of the property

Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number

Inventory number

Source of funding for the property (including the FAIN-Federal Award Identification Number or grant or agreement number)

Indication of with whom title is vested (generally vests with the subrecipient)

Acquisition date

Percentage (at the end of the budget year) of Federal participation in the cost

Location, use, and condition of the property and the date the information was reported

Unit acquisition cost (total cost from all funding sources)

Ultimate disposition date in accordance with 2 CFR Part 200.313(e) (including date of disposal and sales price or the method used to determine current fair market value).

iv. Subrecipient Inventory

Subrecipients will maintain an inventory control system to ensure adequate safeguards to prevent loss, damage, or theft of the property. Subrecipients will provide a copy of their inventory policies and procedures to the *Project manager upon request*. Subrecipients will institute adequate maintenance procedures to keep the property in good condition.

v. HSO Inventory

The HSO will use a centralized inventory control system to identify and track all grant-funded equipment or other property classified as "Capital Equipment" items listing all essential information required by the State property management guidelines. The HSO, as part of its oversight responsibility, must systematically monitor all subrecipients with grant-funded equipment and/or property meeting the State-defined criteria of "controlled property" to ensure that subrecipients are in compliance with State and Federal property management requirements.

The *Capital Equipment Admin.* is responsible for maintenance of the HSO equipment tracking system. An HSO CAPITAL EQUIPMENT PHYSICAL INSPECTION REPORT will be sent to applicable subrecipients every second year (the inspection is completed by the Project Manager every other year) to certify the equipment is still in good condition, still being used for the intended purpose and has been inspected.

When the completed equipment update forms are returned, the HSO reviews them to verify that:

The necessary information has been entered

The forms are signed

The property is in operating condition

The property is being used for traffic safety activities.

The *Project Manager or Capital Equipment Admin* physically verifies the existence and traffic-safety use of each item biennially. This verification is typically completed during onsite monitoring visits.

**vi. Tagging**

It is recommended that equipment and controlled assets purchased in whole or in part with traffic safety funds, be tagged by the subrecipient to indicate the item was acquired with traffic safety funds. Traffic safety subrecipients would be responsible for developing tagging procedures using their own tags. In addition, for cross-reference audit purposes, the tag number is to be noted on the invoice for each piece of equipment and controlled asset item**.**

**vii. Disposition**

Equipment shall be used by the subrecipient in the program or project for which it was acquired as long as needed including after the project or program is no longer supported by Federal funds. Prior written approval must be received from the NHTSA Regional Office by the HSO for the disposition of equipment with a useful life of one year and a value of $5,000 or more unless the equipment has exceeded its useful life as determined under State law and procedures. See **2 CFR Part 200.313(e)** for Federal requirements.

Upon completion or termination of a traffic safety grant or sub grant, or if it is determined by the HSO that equipment is no longer needed for the purpose for which it was acquired, the equipment may, at the option of the HSO, become the property of the HSO. Permission for any other disposition must be obtained from HSO before any action can be taken regarding the equipment. Other possible disposition actions include, but are not limited to:

Transfer from Federal inventory to State inventory

Declaration of inoperability and relegation to salvage or sale at auction

Declaration that equipment is damaged beyond repair or salvage

Sale at auction and return of proceeds to HSO for reconciliation with Federal funding

The NHTSA Regional Office may authorize transferring the title of equipment acquired under 23 USC Chapter 4 to the Federal government or to a third party when the third party is eligible under Federal statute. Any such transfer is required to comply with the conditions of 23 CFR §1200.31 (e). This part also contains instructions for Federally-owned equipment provided to a State or subrecipient.

A Depreciation Guide for the estimated useful life of typical traffic safety equipment has been developed by the HSO and is available to subrecipients on the Colorado Procurement Web Site

See also Chapter IV. Grant Selection and Execution, Section E. NHTSA Equipment Purchase Approval of $5,000 or More.

## H. SUBRECIPIENT TRAVEL

i. Subrecipient Travel Expenses

Prior to FY2016 see 2 CFR Part 225.343 and for FY2016 and forward 2 CFR Part 200.474 which allow travel costs if considered reasonable and otherwise allowable to the extent such costs do not exceed charges normally allowed by the non-Federal entity in its regular operations as the result of the non-Federal entity's written travel policy. Reimbursement for out-of-state travel expenses by subrecipients requires prior approval of the HSO. To request approval for out-of-state travel, a subrecipient must:

Ensure that the grant agreement includes a provision for the travel and that there are sufficient funds to cover the cost of the trip. CDOT out of state travel is planned 0ne year in advance so Grantee out of state travel approvals will be VERY limited as they must be included in the HSO travel plan.

If the trip was not included in the grant agreement, it will not be approved. If it is included in the application and the HSO travel plan then the following is required:

Purpose of the trip

Trip dates

Location

Registration fee (if applicable)

Persons involved and the relationship of the individuals to the particular trip

Estimated cost and whether additional funds are needed (travel, per Diem, fees, etc.)

Benefit to the grant.

HSO does offer scholarships to pre-approved conferences and events and all grantees are encouraged to apply.

To qualify for approval and reimbursement, the travel must be:

**Necessary** to assist in the completion of project and program goals and objectives

**Specific** to the purpose of the grant (for example, an anti-impaired driving conference for a community alcohol project)

**Appropriate** to the position and responsibility of the individual or individuals traveling (for example, project director to attend a community project seminar)

**Of direct benefit** to the State, with such benefit unavailable through other means (for example, travel for a national, one-of-a-kind event).

For travel to be considered for approval, the grant must include the following:

**Table 9. Requirements for Approval of Travel Under a Grant**

| Requirement | Explanation |
|---|---|
| Sufficient travel funds | The grant budget should contain funds for travel. A separate line item for out-of-state travel or specific trips is required |
| Sufficient funds in "Operating cost" category of budget to cover registration fee, if required | If the conference or out-of-state event requires a registration fee, sufficient funds will need to be budgeted and included in the "Operating cost" category in the approved budget. |
| Provisions for out-of-state travel | The grant must contain a provision that allows for out-of-state travel upon HSO approval and requires this approval prior to travel and reimbursement. Approval will be rare |

Travel to attend in-state meetings or training not included in the approved grant agreement requires the subrecipient to submit a request for prior written authorization for attendance from the HSO. Subrecipients are eligible for per diem reimbursement of in-state travel costs at the rate of *State approved CONUS rates*

Out of state per diem rates shall be reimbursed either in accordance with the subrecipient's published out of state travel rates, or, the U.S. GSA schedule available online at **GSA Domestic Per Diem Rates**, whichever is applicable. Upon receiving a travel request in writing, the HSO will send a written response (e-mail or correspondence) approving or denying the trip, with an explanation, to the subrecipient.

To request travel reimbursement, the subrecipient must include:

The cost of the trip in the applicable claim

A receipt for any registration fee paid (if registration fee includes certain meals, then those meals should not be claimed again for reimbursement), airfare, lodging, rental car or any other significant costs

A justification of any unusual costs

If the activity was an exceptional or unique meeting, conference, etc., a brief trip report (the length and content will be determined by the type of trip involved)

**ii. Costs of Advisory Councils**

2 CFR Part 200.422 states that costs incurred by advisory councils or committees are unallowable unless authorized by statute, the Federal awarding agency or as an indirect cost where allocable to Federal awards. In a publication entitled, "State Questions from the April 2015 Webinar on the OMB Uniform Guidance" dated August 20, 2015, NHTSA stated it will use this authority to authorize use of an advisory council or committee (which includes task forces and advisory boards) subject to certain conditions and limitations. States shall obtain authorization from the Regional Administrator before vouchering for costs of an advisory council under an approved highway safety plan.

NHTSA will authorize an advisory council if it:

- Supports the State's highway safety program;
- Is an eligible use of the specific grant funds used (e.g., if an advisory council is paid for using Section 154 or 164 grant funds, the task force must be limited to addressing alcohol-impaired driving countermeasures); and
- Is allocable (e.g. if an advisory council is used for both grant purposes and other purposes, the costs must be apportioned accordingly) (see 2 CFR Part 200.405).

Even if an advisory council is authorized by the Regional Administrator, the following costs are **not allowable**:

- All costs, if the advisory council is required to qualify for the grant by which it is funded (e.g., the costs task force required to qualify for a Section 405 grant may not be reimbursed using Section 405 funds, but may be eligible for funding using other NHTSA grant funds;
- General costs of government (2 CFR Part 200.444);
- Travel—and associated costs such as mileage, meals, lodging expenses—for members of an advisory committee who are not SHSO employees (2 CFR Part 200.474 provides that certain travel costs are allowable, but only for employees of a recipient);
- Conference and training costs—including associated lodging, registration, travel, and meals—of Advisory Council members;
- Unreasonable costs (e.g., costs in excess of normal market value or costs inconsistent with typical purchasing policies of the SHSO) (see 2 CFR Part 200.404); and
- Costs that are otherwise unallowable under the Uniform Guidance Cost Principles or under Federal or State statutes, regulations and procedures (see 2 CFR Part 200.403).

## I. INDIRECT COSTS

Indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the

results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those remaining to be allocated to benefited cost objectives. A cost may not be allocated to a Federal award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a Federal award as a direct cost.

Indirect costs are normally charged to Federal awards by the use of an indirect cost rate. A separate indirect cost rate(s) or IDCR is usually necessary for each department or agency of the governmental unit claiming indirect costs under Federal awards. Guidelines and illustrations of indirect cost proposals are provided in a brochure published by the Department of Health and Human Services entitled "A Guide for State and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government." A copy of this brochure may be obtained from the Superintendent of Documents, U.S. Government Printing Office.

Effective with FY 2016, Uniform Guidance issued by the Office of Management and Budget (OMB) became effective for NHTSA funded highway safety grants. Several prior OMB circulars were consolidated into the Uniform Guidance. **The following information on IDCRs applies to FY2016 grants**. For information regarding the requirements for grants prior to FY2016, reference should be made to 2 CFR Part 225, Appendix E; 2 CFR Part 230 (Non Profits) and Circular A-21 (Educational Institutions).

NHTSA has issued written answers to questions regarding implementation of the Uniform Guidance 2 CFR Part 200.331(a)(4) including IDCRs on March 5, 2015, June 2015 and August 20, 2015. The guidance provide specific interpretations of the rules as they pertain to IDCRs and should be frequently referenced.

Effective with FY2016 grants, a subrecipient that does **not** have a previously established IDCR may either negotiate a rate with the HSO or elect to charge a de minimus rate of 10 percent of modified total direct costs. The HSO may not force or entice the subrecipient without a federally recognized IDCR to accept a rate lower than the de minimus rate. If a subrecipient has a federally negotiated IDCR and requests that rate, the HSO must pay that rate and may not request or require the subrecipient to offer a lower or zero IDCR. The de minimus rate is only applied to the first $25,000 of each subaward or subcontract (maximum of $2,500 indirect cost reimbursement).

Appendix III to Part 200 provides additional guidance on indirect (F&A) cost rates for Institutions of Higher Education (IHEs) e.g. Universities and should be consulted for complete information which apply only to IHEs. Universities are allowed to apply the indirect cost rate to a broader range of costs as specifically identified in the regulation and referred to as "modified total direct costs". The modified total direct costs, referred to as "facilities and administration (F&A) costs" may include all salaries and wages, fringe benefits, materials and supplies, services, travel, and sub grants and subcontracts up to the first $25,000 of each sub grant or subcontract (regardless of the period covered by the sub grant or subcontract). In addition, unless a new rate has been negotiated, there is a 26% rate cap applied to modified total direct costs for Off-Campus - All Programs (non-research related work such as surveys, etc.).

Appendix IV to Part 200 provides additional guidance on IDCRs for non-profit organizations and should be consulted for special requirements. Note specifically major local government language. They are REQUIRED to submit to the cognizant agency if they require and IDCR.

Appendix VII to Part 200 provides additional guidance on IDCRs for State and Local Governments and Indian Tribes and should be consulted for special requirements.

The requirement that the HSO must use a federally negotiated IDCR applies to **sub awards**; it does not apply to **contracts.** The HSO must use State policies and procedures when procuring property and services via contract. Refer to the NHTSA IDCR June 2015 guidance for additional information regarding sub awards vs. contracts. The Uniform Guidance is a Federal regulation on the use of Federal funds; its requirements cannot be changed by a State statute.

The NHTSA Regional Office may be consulted for assistance in verifying federally approved indirect cost rates for subrecipients. The HSO shall require that subrecipients approved by the HSO to receive indirect costs annually provide a current approval letter from the cognizant Federal agency stating the negotiated IDCR. Federally approved IDCRs are good for the specified time period. An application can be made for a one-time extension of a current negotiated IDCR for a period of up to four years, 2 CFR Part 200.414(g). The HSO Project Manager is responsible to annually receive the current IDCR document. Some subrecipients may request reimbursement only for direct costs, choosing not to negotiate an IDCR or use the de minimus rate. Indirect costs are not readily assignable to the cost objectives specifically benefited. They are incurred for a common or joint purpose benefiting more than one cost objective. Care must be taken to make

sure that the indirect costs (now being reported as direct costs) are not part of a central services take down. And the costs must be allocable. Test: Would the activity still exist, and thereby result in the same costs being incurred, if the grant were terminated?

CDOT HSO requires any grantee requesting indirect costs to supply financial documentation to the Program Control Analyst for review and confirmation of the IDC rate. When the agency has not been approved by a cognizant agency (normally in Colorado the CDPHE) it is the HSO's responsibility to scrutinize the requested rate for accuracy and to approve an IDC rate.

Note: the general costs of government are unallowable. The same costs may not be reported as both indirect and direct. The HSO must be consistent and treat the costs the same way as other State agencies - either as direct or indirect.

If a State/local governmental subrecipient is considering changing a position to direct cost federal funding, care must be taken to avoid supplanting – the substitution of Federal funding for a general cost of government.

MATCHING REQUIREMENTS: A HSO may use State funds to pay the IDCR and those funds will count toward the 20 percent State share requirements. If State law permits, a subrecipient may use any allowable cost, including indirect costs, for match if the HSO requires cost sharing for a sub award.

STATE SUBRECIPIENTS: A State agency may be paid the State's negotiated rate obtained from a cognizant Federal agency as evidenced by a letter on file. A State agency subrecipient may receive Interagency Services (indirect costs) in lieu of determining the actual indirect costs of the service. Reimbursement is limited to a standard 10 percent and only for direct salary and wage costs excluding overtime, shift premiums and fringe benefits, see 2 CFR Part 200.417.

LOCAL and NON-PROFIT SUBRECIPIENTS: Where a local government is not a primary recipient of Federal funds, the HSO may negotiate and/or monitor the subrecipient's indirect cost plan and an annual approval letter approved by a local government containing a certification signed by a government official specifying the year applied, see 2 CFR Part 200.331 (a)(4). The rate proposal and related documentation must be made available for Federal and State and should be maintained annually in the subrecipient's file. The rate does not have to be federally approved. The HSO cannot routinely grant an IDCR to subrecipients. Each subrecipient must have submitted an IDCR plan for review and acceptance.

Non-profit agencies must also provide an annual approval letter containing a certification signed by the Board of Directors, a CPA or an Executive Director and specifying the year applied and the rate.

The level of risk and exposure should be determining factors when determining the required oversight. NOTE: The responsibility does not end after a signed agreement or certificate is placed in the project file. The HSO must periodically review **AND** monitor sub recipient IDCR plans to provide reasonable assurance that the requirements are being followed. This monitoring should ensure that the plan is current and accurately reflects indirect costs. As a good practice, the involved governmental unit should provide a signed certification letter that the IDCR claimed is "true and correct" similar to what a cognizant Federal agency would receive and "approve".

Negotiating and monitoring an IDCR is a complex and time consuming task. The HSO may (and is encouraged to) use the expertise of their State audit or finance office to review and approve the IDCR plan proposed by a subrecipient. CDPHE can be contacted with IDC questions as they are the State's primary Cognizant agency.

## J. PROGRAM INCOME

Many traffic safety grants are intended to provide financial start-up for projects so that they can become self-sustaining. Some projects conduct activities that generate income to cover present and future costs. When subrecipients earn money for their services or products, they may be earning what is defined in the Federal regulations as "program income". Income earned by the subrecipient with respect to the conduct of the grant (e.g. sale of publications, registration fees, service charges, etc.) must be accounted for fully and applied to project purposes or used to reduce costs.

As defined in 23 CFR Part 1200.34 and 2 CFR Part 1201.80, program income means gross income earned by the subrecipient directly generated by a program supported activity or earned only as a result of the grant agreement during the period of time between the effective date and the expiration date of the grant award. Such earnings may include but are not limited to:

Income from fees for services performed

Sale of commodities or items fabricated under the grant

Usage or rental fees from real or personal property (equipment) acquired with grant funds

Payment of principal and interest on loans made with grant funds

Donations for car seats

See 23 CFR §1200.34 (c) for specific exclusions.

NOTE: If program income is applied to the program and then generates other income, that income is not considered program income and is not required to be tracked as outlined in this policy.

Ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income must be used for current costs unless the Federal awarding agency authorizes otherwise. Program income that the non-Federal entity did not anticipate at the time of the Federal award must be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project. See **2 CFR Part 200.307** for additional guidance regarding the use and restrictions on program income.

The HSO must approve a subrecipient's request to earn program income. There must be an indication in the HSO HSP project description that the grant will generate program income and the total income earned must be reported by the HSO in the Annual Report (AR). There also must be a clause in the grant agreement which states that the grant will earn program income and the subrecipient will expend the monies to fulfill the objectives of the program area under which it was generated. Recommended language for grants generating program income is as follows:

**All program income earned during the grant period shall be retained by the subrecipient and, in accordance with the grant or other agreement, shall be added to Federal funds committed to the project and be used to further eligible program objectives.**

**Program income that remains unexpended after the grant ends shall continue to be committed to the original grant objectives.**

Program income may be used to meet cost sharing or matching requirements only upon written approval of the NHTSA Regional Office. And such use shall not increase the commitment of Federal funds.

Subrecipients must record the receipt of program income as a part of the grant project transactions in accordance with the grant agreement. Program income should be recorded on the Report of Program Income maintained in the records of the subrecipient available for review during site visits or as requested by the Program Manager.

Subrecipeints must also record and report the expenditure and disbursement of program income revenues as a part of the grant transactions in accordance with the grant agreement. HSO requires a certification from all subrecipients who have Program income confirming that income is tracked and applied to costs of the program. The documentation is available upon request of HSO or NHTSA. Program income will be reviewed with the subrecipient during site visits as well as any financial visits and in every PreWork visit.

## K. SUPPLANTING

The replacement of routine and/or existing State or local expenditures with the use of Federal grant funds for the cost of activities that constitute general expenses required to carry out the overall responsibility of a State or local agency or Federally recognized Indian tribal governments is considered to be supplanting and is not allowable. Refer to: NHTSA Highway Safety Grant Funding Guidance, Part IV, D Program Administration. **Uniform Guidance 200.444 Cost of Government for further definition.**

Supplanting, including: (a.) replacing routine and/or existing State or local expenditures with the use of Federal grant funds and/or (b.) using Federal grant funds for costs of activities that constitute general expenses required to carry out the overall responsibilities of State, local, or Federally-recognized Indian tribal governments

The subrecipient shall not use grant funds to supplant State or local funds, or, other resources that would otherwise have been made available for the grant program.

Example of Supplanting would be if a position created by a grant is filled from within the subrecipient agency the vacancy created by that action must be filled within X number of days. If it is not, then the employee now doing the grant's work can no longer be charged to the grant. The agency was paying for that person/position prior to the grant so they have transferred agency cost to the grant.

## L. SUBRECIPIENT TRAINING

The cornerstone of a sound traffic safety program is training. CDOT HSO encourages training and updating of skills for all subrecipients. **Webinars, conference calls, pre-work meetings and t**he **biennial Highway** Safety Summit **are** organized to share best practices, discuss problems with program implementation, create collaborations**, disseminate new policies and procedures, and** support highway safety; we encourage all grantees to attend. In **addition,** Life Savers, Kidz in Motion and other "safety focused" events and training are encouraged.

## M. GRANT FILE MAINTENANCE

Sound fiscal and program management of the HSO traffic safety program can be verified through the development and maintenance of complete, accurate and accessible files. The HSO must establish a physical project file for every grant. The contents of the file of record will vary, depending on the type of agreement. The file of record will include any or all of the following:

Signed Grant Request Form/Application stored on Shared drive

Technical/cost analysis with application on Shared Drive when applicable

Pre-award cost (budget) evaluation stored on OTS shared drive

Original signed agreements and any amendments hard copy filed in rolling files

Notice to proceed stored on shared drive EDM

Correspondence in File Folder – email correspondence printed and filed

Claims with all supporting documentation in File folder

Progress Reports with all supporting documentation stored on Shared Drive EDM

Risk Assessment documentation stored on shared drive

Monitoring reports complete report and notification and follow-up stored on Shared drive

Pre-approvals in file folder

Equipment inventory forms kept in Capital Equipment binder hard copy

Project accomplishment reports stored on shared drive under EDM

Data collection and trainings conducted in folder and on EDM

Indirect cost approval letter stored on shared drive EDM

Match documentation if required of subrecipients stored hard copy in folder

Other supporting documentation hard copy in folder and also on EDM

Most documents are kept on the shared drive Electronic Data Management (EDM) folder by grant year. The grant folder will contain the checklist which shows the filing decision of each document type and location, **the** budget including all revisions with Revision Approval, all claims, notes and communications. The document or reference to the document that verifies those legal and administrative actions necessary for the award, implementation, monitoring, and evaluation of each project.

NOTE: The file checklist will indicate the document is E – on the EDM, H – hard copy in the folder or B if the document is kept in both formats.

Public access: All file information is a matter of public record. However, proper file management precludes public access to the files, which may include information of a sensitive nature such as personnel salaries, budget information, and internal correspondence. Access to the file of record will therefore generally be limited to those governmental officials CDOT. *OTS, HSO staff* with responsibility for the submission, operation, and close-out of the projects.

**File retention**: All contract and grant agreement records must be retained 3 years from the date of final payment, until completion of audits, or until pending litigation has been fully resolved, whichever occurs last. A clause to this effect will be included in each PM Pre-work discussion as well as each traffic safety grant agreement and contract. The term "records" includes: all books, documents, papers, accounting records, and other evidence pertaining to costs incurred and work performed.

The HSO *Administrative* ***Assistant*** **is** responsible for maintenance of the CDOT's grant filing system in compliance with this policy. Files should be reconciled annually after the fiscal year close out to assure that all required documents are in place. The contents of the file will vary, depending on the type of agreement, but it will be set up in accordance with the following HSO guidelines:

## N. RISK ASSESSMENT AND MONITORING

The final guidance section 200.204 strengthens oversight over Federal awards by requiring Federal agencies and pass-through entities to review the risk associated with a potential recipient prior to making an award. The OTS completes a Risk Assessment on all recipients (excluding internal program recipients if they are CDOT) and based on score determine the level of monitoring and oversight needed by the OTS. Elements such as past history with CDOT and Federal grant dollars, Agency's staff experience, accuracy and timeliness, single audit results, subcontracting, and so on are considered when assessing risk. See Risk Assessment form and instructions.

According to 49 CFR Part 18.40 prior to FY2016 and to 2 CFR Part 200.328(a) for FY2016 and forward, the HSO is responsible for managing the day-to-day operations of grant and sub grant supported activities. The HSO shall monitor the activities of the subrecipient as necessary to ensure that the sub award is used for authorized purposes; in compliance with Federal statutes, regulations and the terms and conditions of the sub award; and that sub award performance goals are achieved. Monitoring must cover each program, function or activity.

**Monitoring is** a sound management practice to assure compliance with project objectives and generally accepted accounting principles which assures that the SHSO is receiving the "biggest bang for its buck". The SHSO expends considerable time and funds to annually develop the Highway Safety Plan goals, objectives and strategies. Monitoring assures that the selected strategies are fully implemented as planned in order to achieve the best possible results. If a project fails to achieve the anticipated positive impact, one of the first things to consider should be the monitoring results to determine if a poor strategy or poor strategy execution was a factor. Based on the answer, the SHSO should then identify what should be done differently the next time to assure future project success

The outcome of the 2 CFR Part 200.331(b) required pre-award risk assessment completed by the PM, prior to awarding funds and will be clearly discussed with the subrecipient at the Pre-Work meeting which will be planned, scheduled, and completed by the Project Manager. The Risk Assessment for each subrecipient must be used for purposes of determining the appropriate subrecipient monitoring level. Depending upon the pass-through entity's assessment of risk posed by the subrecipient, the one-time per year or additional monitoring will be scheduled. Other tools available for monitoring of subrecipients and sub-contractors are:

(1) Performing on-site reviews using the site monitoring checklist of the subrecipient's program operations based on need or funding amount.

(2) Review of Harvester.com as Part 200.425 Audit review to review audit results

(3) On-going review of claims and expenditures to confirm the project is on track

(4) Subrecipient contractor monitoring documents submitted each month with claim

(5) Review of Personal Activity Reports (PAR) for activities being completed

Pass-through entity's minimum one time per year monitoring of grantees must include:

(1) Reviewing financial and performance reports required by the pass-through entity.

(2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means. Include creation of CAP and notification to NHTSA of exceptions

(3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by 2 CFR Part 200.521 Management decision.

The HSO monitoring policy is contained on the share drive under EDM PM Guidance. The PM is required to identify any grantee requiring additional monitoring but falls outside the standard monitoring guidelines and to notify the Program Control Analyst, who determines which subrecipients will have on-site monitoring done to maintain control of a project, detect problems, identify changes or training needed, provide data for planning and evaluation and create an opportunity for the HSO to provide technical assistance when needed, see2 CFR Part 200.331(d). It also is a way to encourage accountability on behalf of the subrecipient. Monitoring requires forms to be completed for documentation and maintained in the grant file the HSO document(s) are on the shared drive EDM. Subrecipients requiring monitoring visits are those receiving $75,000 or greater, new grantees, grantees that receive a High Risk classification, and problem grantees. The GHSA has provided extensive guidance including sample procedures and forms on their web site under Projects, Resources for States. See GHSA Monitoring Advisory.

REASONS FOR MONITORING

Track progress and achievement of project objectives, performance measures and compliance with procedures, laws, and regulation

Ensure riskier grantees are on track

Determine if a grant modification or revision is needed

Investigate adverse audit findings

Provide opportunity to share information about the State's traffic safety initiatives and campaigns

Serve as an ongoing management tool for project control and to detect fraud

Provide opportunity to share information about the State's traffic safety initiatives and campaigns

Offer technical assistance to the subrecipient on accomplishing the goals and objectives of the project

**ii. Types of Monitoring**

The HSO will utilize the following types of monitoring:

Ongoing contact with the subrecipient through phone calls, meetings, email and correspondence

Onsite monitoring reviews of project operations, management, and financial systems

Periodic review of progress reports

Ongoing review and approval of claims

**iii. Major Elements of Monitoring Procedures**

There are several important elements to consider when determining what level of monitoring is appropriate for a specific subrecipient. These elements include:

Frequency of the monitoring

Items to cover

Procedures to follow

Persons to involve

Documentation to complete

Evidence of present or potential problems

Answering the questions of how often, who to involve, and how to monitor depends on the following criteria:

Table 10. Monitoring Criteria

| Criteria | Explanation |
|---|---|
| The length and complexity of the project | The longer and more complex the project, the more frequent and formal the monitoring should be |

| | |
|---|---|
| The capabilities and past experience with the subrecipient | Lower capabilities and/or lack of experience with the subrecipient normally require more frequent and formal monitoring |
| Any indications of problems, lack of performance, or change in direction | The more problems and changes, the more frequent and formal monitoring should be |

**iv. Ongoing Monitoring**

Ongoing monitoring occurs every time a *Project Manager* holds a discussion or communicates with a subrecipient project director through phone calls, meetings, email or correspondence.

Frequency: Ongoing monitoring Will occur daily, weekly, or monthly. Weekly phone calls may be appropriate if there are problems. Monthly status meetings might be needed for complex projects. Some form of ongoing monitoring shall be conducted by the *Project Manager* with each subrecipient in their program area at least monthly (this includes the claims review and processing). The HSO *Department Manager(s)* shall ensure that all required on-going monitoring activity is completed by the *Project Manager* within the Federal fiscal year in compliance with the HSO policy.

Problems: If problems are identified, this will be communicated to the Department Manager. The situation could require a meeting between the subrecipient and the *Program Manager(s)* or even the scheduling of an onsite monitoring visit (See Sub Section v. Onsite Monitoring, below. Reference should also be made to Section O. Resolution of Monitoring Findings.). The determination of the appropriate action to be taken should be made by the *Department Manager(s)* and the HSO *Director.* Any additional monitoring requirements will be documented in the grant file and added to the on-site monitoring schedule if applicable.

Approach: The *Project Manager* will rely on regular correspondence and the annual onsite visit to handle routine project issues. The subrecipient's project director should monitor work under the agreement with sufficient frequency to be sure that the work is progressing according to the plan and to quickly identify any major problems or variances from the plan. Careful monitoring of work is the best method of assuring compliance with the grant and preventing disputes.

Items: Any item related to the progress and management of the grant should be covered in ongoing monitoring. Although usually limited to the progress of activities, ongoing monitoring should also cover budget issues, problems encountered, procurement procedures, projected changes, etc.

Procedures: The *Program Control Analyst* will routinely set aside time to call or meet with subrecipient personnel. The *Project Manager* should make a list of issues or questions to cover prior to the contact. The *Program Control Analyst* should ensure that all issues are covered or that a deadline has been agreed upon to resolve any issues. Routine meetings will be specified in the grant agreement as necessary.

Participants: Ongoing monitoring can involve any grant personnel with management or oversight responsibility for the project. In addition to the *Project Manager* this may include a financial officer and any other key project personnel.

Documentation: Copies of all correspondence are to be kept in the HSO grant file. A note to the file should be provided to document all meetings and discussions using an *On- Site Monitoring* form. This documentation becomes essential during the course of the project in case of changes in the project activities, budget, or personnel. The documentation is also extremely important at the end of the project as it is used to evaluate grant and subrecipient performance.

**v. Onsite Monitoring**

Calls, letters, and occasional meetings are generally not sufficient to adequately monitor a project, particularly those that are more complex. In some cases, a *Program Control Analyst* will need to go onsite to review project status, documents, and subrecipient management and financial systems. This type of in-depth review is called "onsite monitoring" because the *Program Control Analyst* must actually go to the location of the project and the offices of the subrecipient to conduct this monitoring. The need for an onsite monitoring may also be identified by the *Project Manager* during ongoing monitoring activity. Regular and close communication between the program and fiscal HSO staff is encouraged to assist in the early detection of minor and major problems including fraud.

Frequency: The *Project Manager* shall conduct at least one onsite monitoring visit per year for subrecipeints meeting a financial monitoring visit with the PCA will be considered the required annual monitoring. Based on the following criteria:

Total cost of the grant agreement exceeds $75,000 – some exceptions may be made if the agency consistently received in excess of $75,000 and has been monitored in the recent past

Risk Assessment ranking of Medium or High

Grant agreement includes reimbursement of salaries or sub-contractors

Subrecipient has identified a new project director or other Key Staff position

Subrecipient has a past history of poor performance

A recent ongoing monitoring identified a potential problem

Subrecipient is new to the HSO grant family

Subrecipient single source audit identified problems related to CDOT funding

The *PCA* shall identify the list of subrecipients to be monitored each fiscal year using the above criteria and develop a proposed Monitoring list. Review and approval will be completed by the HSO Department Program Manager(s). Schedule and notification will be completed Program Manager.

Items to Review: An onsite monitoring includes an examination of all issues related to the effective and efficient operation of the project. The following, though not all-inclusive, are the most important items to review:

Progress toward achievement of objectives and performance targets

Adherence to milestones and action plan

Resources are consistent with agency mission

Programs and resources are protected from waste, fraud and mismanagement

Federal and State laws and regulations are followed

Reliable and timely information is obtained, maintained, reported and used for decision making

Status of budget, supplies inventories if purchased by the grant

Accounting records to include General Ledger, Payroll system, Accounting system

Personnel records and time sheets matched to PARS and payroll records

Any necessary pre-approvals (such as, equipment or out of state travel)

Supporting documentation (signature authority letter, verification of costs, invoices, subcontracts, etc.)

Documented Policies and Procedures related to purchasing and employees

Equipment purchased or leased as part of the project i.e., inventory and inspect to ensure that it is being used for the purpose for which it was bought or leased under the grant agreement

Advance Preparation: Prior to the onsite monitoring, the *Project Manager* should:

Plan each site visit well in advance (preferably three to four weeks)

Carefully review the grant agreement to determine which activities in the action plan should have been accomplished by the site monitoring date

Note any special terms or conditions that need monitoring –adverse audit results or capital equipment

Review all correspondence, performance reports, and requests for claim reimbursement submitted prior to the visit

Set appointments with the subrecipient's project staff

Provide to the subrecipient a list of the types of documents to be reviewed, including time sheets, purchase vouchers, procedures, and forms

Note items requiring follow-up from previous monitoring visits or ongoing monitoring

Review of Source Documents: The *Project Manager* will review source documents and evidence of task completion depending upon the activities to be conducted and the types of costs involved in the project. Examples of source documents to be included are shown in the following table:

**Table 11. Source Documents Reviewed During Onsite Monitoring**

| Document Type | Notes |
|---|---|
| Time sheets (Personnel cost is a HIGH risk factor) | Time sheets, pay records, payroll registers, and possibly personnel (salary rate) records must be reviewed to determine that salary and wage costs are fully supported. Time sheets must account for 100 percent of time, regardless of the amount charged to a grant. If only a percent of time is to be reimbursed, then the prorated amount must be correct. |
| Fringe benefits | If reimbursable, fringe benefits (such as health insurance, pension plan, etc.) must correspond to the amount or percent eligible. |
| Travel costs | Only travel directly associated with the grant may be reimbursed. This might include, for example, travel to meetings called by the HSO. |
| Claims, payments, and CDOT-required reports | Only those costs in the approved budget may be reimbursed. Any discounts must be credited; the discounted amount would be reimbursable. Any payments must be directly attributable to the grant costs. Include a review of the accounting system, the documented policies and procedures, General Ledger (GL) and payroll interface to the GL and activities status on quarterly reports |
| Agency Internal Controls | Review accounting system, determine separation of duty, conflict of interest policy, compliance with agency procurement policies, transparency of availability of Federal Dollars |

In the case of a high volume of documents, a sampling methodology may be used, either randomly or selectively (such as, every fifth voucher or every other time sheet). The purpose of the financial document review is to ensure that costs claimed reconcile to the documentation.

Payment of overtime, especially in law enforcement grants, requires special attention by the HSO during monitoring. The subrecipient's processes and procedures for scheduling, approval, tracking, accounting and supervision of overtime should be examined to ensure that there are in place adequate checks, balances and safeguards to validate all claims. See Section N. Fraud Prevention.

Review of Project Status: The *PM* will review the status of project activities. Examples of evidence of progress toward task completion might include:

Review of cumulative quarterly reports

Attendance rosters for training projects or events

Citations and warnings for enforcement projects

Newspaper clippings of events for public information activities

Analyses and reports for data or problem identification projects

Survey or questionnaire results

Personnel training records

Review of Budget Requirements: The *PM* will review the records for adherence to the budget requirements, including, but not limited to, determining whether:

Expenditures are on schedule

Costs are in the approved budget or any subsequent amendment

Any necessary prior approvals for travel, equipment purchases, or changes have been obtained

Appropriate procedures have been followed for all expenditures

Appropriate supporting documentation is available and filed

Reimbursements are up to date

Direct Observations: Although not required, onsite monitoring may also include direct observation of activities performed. These might include attendance or participation in a:

Meeting, workshop or training course

Press conference or other media event

Presentation to a school, organization, or civic club

Task force or committee meeting

Shift of overtime enforcement

Local Fairs or Expositions where the grantee has a booth

Documentation: The *PM* will complete the required onsite HSO monitoring request for a visit and confirmation of date as well as the monitoring record form. The PM will ensure all relevant and necessary agency staff members are requested to attend the visit. The *PM* will sign the form according to the instructions provided and attach copies of all appropriate records and other documents reviewed during the visit. The checklist, with attachments, will be placed in the subrecipient file at the HSO on the shared drive EDM.

Subrecipient notification-compliance: If no corrective action is necessary, the subrecipient shall be notified of the results of the onsite monitoring by letter including a thank you for cooperation. The subrecipient may receive a copy of the Monitoring Form upon request.

Subrecipient notification-noncompliance: If corrective action is needed, reference should be made to Section O. Resolution of Monitoring Findings. The determination of the appropriate action will be made by the *PCA* and the HSO *Program manager or administrator]*. Any additional monitoring requirements will be documented in the grant file.

Table 12. Onsite Monitoring Warning Signs

| | |
|---|---|
| Late project start | Frequent personnel changes |
| Low activity level | Revisions to the grant |
| Slow expenditure rate | No records or inconclusive records |
| Late reports | Evasive answers |
| Low morale/poor attitude | Submission of questionable claims or back-up documentation |
| Incorrect claims | Failure to obtain required HSO approvals |

## O. FRAUD PREVENTION

Investigations by the federal Office of the Inspector General (OIG) and NHTSA have detected more cases of fraud involving subrecipients receiving federal highway safety grant funds. A comprehensive monitoring program is one of the most effective ways to prevent fraud. Such a program includes the elements outlined in Section N. Monitoring Advisory. Also essential is sufficient management oversight to ensure that the monitoring program is fully implemented. Onsite monitoring of grants which include personnel services is essential. The following information has been compiled to assist the HSO in communicating with subrecipients, implementing safeguards, monitoring and taking action when fraud is detected.

NOTE: Personnel services grants – including law enforcement overtime typically associated with Selective Traffic Enforcement program (STEP) grants and grants containing subcontracts – have been identified as high risk for fraud. Such grants should require strong internal supervision by the subrecipient and extra attention by the HSO.

i. Special Attention for High Risk Grants and Activities

Identify law enforcement and other types of grants which contain claims for personnel services as requiring special attention to detect fraud.

Closely examine and compare personnel log sheets to actual activity documentation (such as date and time worked as recorded on paper tickets and time reports) to ensure that only actual time worked on grant-funded, approved activities is submitted for reimbursement

Ensure that only approved hourly rates for sub-contractors and vendors are charged to the grant and that legitimate original invoices from sub-contractors and vendors for actual work completed are available for examination

ii. Recognition of Risk Factors for Personnel Services Grants

Lack of communication of specific clear benchmarks, goals and deliverables for enforcement and other contracts

Lack of training for supervisors and officers to emphasize unique conditions of grant programs

Lack of supervision of grant procedures during overtime patrols, time and attendance quality checks and use of paper forms

iii. Incorporation of Prevention Strategies into HSO Policies and Monitoring Practices

Provide specific pre-award guidance to subrecipients to explain the federal requirements and discuss the need for their own internal control systems

Require subrecipients to submit their policy/internal controls to the HSO to certify compliance with generally accepted practices

Do supervisors sign off on completed work?

Do officers check in and out of shifts with a supervisor or dispatch?

Do supervisors conduct reviews and spot checks of officer records?

Are work schedules prepared in advance?

Do managers have access to global positioning system (GPS) records or other location records for patrol vehicles?

Review original documents (not copies) at the subrecipient or third party sub contract level

Could an officer falsify elements like date and time of the violation?

Are records retained for review?

When conducting onsite monitoring, over sample vouchers more is better than fewer samples audited

Establish clear performance benchmarks and expectations

Develop an action plan to follow when possible fraud is detected

Use State auditors to randomly audit selected subrecipients and to follow up fraud allegations for the HSO

Document and disseminate information on identified cases of fraud and the consequences to law enforcement officers, project personnel and their departments as a deterrent

## iv. Preventive Oversight for Law Enforcement Agencies

Build supervision into the grant project

Develop and implement an enforcement or project action plan based on the data

Utilize GPS units on patrol vehicles

Use log sheets or personal activity reports (PARs) to verify actual hours worked on shifts

Providing training including refresher roll call reviews of expectations

Are officers informed about requirements and expectations?

Are veteran officers asked to complete refresher training?

Do managers have adequate training on grant administration?

Is there any emphasis placed on detecting fraud or conducting periodic reviews?

Are training records maintained?

Review the type of ticketing system – automated systems are less likely to be subject to fraudulent activities than hand written paper citations

### v. Utilization of Federal and Other Training Resources

Identify and incorporate into HSO procedures the "risk level decision tree" available from NHTSA Regional Offices Review and use as the basis for HSO and subrecipient training:

The NHTSA/GHSA 2012 Webinar: Strategies to Prevent Fraud and Misuse of Federal Funds

HSO best practices such as, the Michigan Grant Management Quarterly Webinar for Subrecipients Fiscal Information and You

Review and become familiar with the applicable federal regulations: Noncompliance with accepted standards for financial management systems, see 2 CFR Part 200.302; and, OMB Circular A-123 requirements that programs be protected from waste, fraud and mismanagement

## P. RESOLUTION OF MONITORING FINDINGS

Minor Findings

The PM shall notify the OTS Manager and the subrecipient's project director in writing using the monitoring follow-up letter with any initial indication of minor discrepancies or errors in reporting, project implementation, or accounting. Examples of minor discrepancies include:

Delays in activities that will not adversely affect the timely completion of the grant

Typographical errors in an invoice that would not affect the amount reimbursed

A written notification of any finding must include the following information:

A description of the finding

A description of any actions or options the subrecipient may make in response to the finding

A date by which the subrecipient should implement the recommended action or advise the HSO of a proposed alternative or both. Under most circumstances, this date should be no more than 30 days after written notification by the HSO.

Copies of this correspondence, including copies of e-mail exchanges, are to be included in the grant file.

ii. Repeated Incidence/More Serious Findings

Upon a repeated incidence of a minor finding or a more serious error or discrepancy, the *PM* will request through the PCA or the *HSO Department program manager* that a notice in writing, be sent to the subrecipient with the HSO Director's approval and, when necessary the Director's signature. Examples of more serious errors or discrepancies include:

Untimely submission or omission of required reports or invoices including required supporting documentation

Invoice for an unallowable or unapproved item

Typographical or mathematical error that affects the amount of reimbursement

Actions taken without prior approval when the grant stipulated prior approval

Significant delay in achievement of objectives and performance goals

Sub-par spending level (20 percent or more of the total funds remaining at the end of the previously funded grant year)

In addition to the information required for a minor finding or first notification, the "Notice" letter will include any potential ramifications or imposed requirements. These remedies might include temporary delays in reimbursement, modification of the agreement including the reduction of funding or cancellation of the project agreement.

iii. Significant Findings Requiring Immediate Action

In the event there are serious problems or issues identified, the *Program Control Analyst* will immediately notify the HSO Department Manager and OTS Director to determine the appropriate course of action. If serious financial problems or fraud are identified, the HSO may request the assistance of another State agency or that a full audit be completed by an outside auditor before taking further action. Consideration should also be given to notifying the NHTSA Regional Administrator. This step should be taken when the problem is proven to exist and NHTSA resolution guidelines are needed.

Significant findings are to be addressed immediately by a letter to the subrecipient with the HSO's *program manager* approval and signature. Significant findings include, for example:

Work not being performed as written in the grant agreement

Delays that are likely to significantly impact the successful implementation of the grant

Indication of fraud or other illegal activity associated with management or implementation of a project

Continuing delays or omissions in the submission of required documents

Consistent failure to abide by a provision in the grant agreement.

If fraud is detected, the HSO shall determine whether the State/Local District Attorney, State Auditor if fraud amount exceeds $500,000 contact General/Inspector General or U.S. DOT Office of the Inspector General (1 800 424-9071 hotline@oig.dot.gov) for consultation and the possible initiation of criminal action. This subrecipient may be placed on the suspended or debarred list.

iv. Resolution of Repeated, More Serious and Significant Findings

Immediate action to correct the problem will be negotiated by the HSO Administrator and the subrecipient, and implemented by the subrecipient. The subrecipient will be required to submit a Corrective Action Plan (CAP) to the HSO which details how and when the identified deficiencies will be addressed and will be signed as appropriate by the parties involved. A date for an onsite follow-up review will be established and corrective action will be monitored by the HSO for compliance.

In addition, the following statement may be included in the CAP:

"The HSO has determined that the subrecipient is a 'Grantee on Notice' during Federal fiscal year (XXXX) due to the following reasons: (list applicable reason). Your agency is informed that if similar failures to meet the grant requirements occur in the current fiscal year, the HSO may modify the agreement including the withholding of grant reimbursement, suspension of all or part of the grant, or cancellation of the grant as provided by 2 CFR Part 200.338. The HSO will work with your agency wherever possible to assist your agency in fulfilling the requirements of the grant agreement."

If the problems or issues cannot or have not been resolved, the following actions may be imposed by the HSO consistent with 2 CFR Part 200.338 as described in 2 CFR Part 207 Specific conditions:

**(**a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity. Requires the HSO Administrator to provide written notice to the subrecipient's Project Director detailing the specific problem or issue; the action required to correct the situation; and applicable penalty for failure to make the correction(s).

(b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

(c) Wholly or partly suspend or terminate the Federal award. (A last-resort action to be used only when a subrecipient or any recipient of Federal funds under the grant fails to fulfill the terms and conditions of the grant agreement in a timely and proper manner, refuses to abide by specific terms or conditions, or violates the terms of a Grant Agreement.) Requires the HSO Administrator to provide written notice to the subrecipient's Project Director at least 30 days before effective date of the cancellation and shall include:

Effective date of the grant cancellation

Specific terms and/or conditions violated

Requirement to forward to the HSO all grant-related materials, whether or not completed

(d) Initiate suspension or debarment proceedings as authorized under 2 CFR Part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency). The enforcement remedies, including suspension and termination, do not preclude the subrecipient from being subject to "Debarment and Suspension" under E.O. 12549 Executive Order 12549 - Debarment and Suspension In addition to this review, the Federal awarding agency must comply with the guidelines on government-wide suspension and debarment in 2 CFR Part 180, and must require non-Federal entities to comply with these provisions. These provisions restrict Federal awards, sub awards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities.

(e) Withhold further Federal awards for the project or program.

(f) Take other remedies that may be legally available.

In taking an enforcement action, the HSO will provide the subrecipient an opportunity for such hearing, appeal, or other administrative proceeding to which the subrecipient is entitled under any statute or regulation applicable to the action involved. See 2 CFR Part 341.

Costs to the non-Federal entity resulting from obligations incurred by the non-Federal entity during a suspension or after termination of a Federal award or sub award are not allowable unless the Federal awarding agency or pass-through entity expressly authorizes them in the notice of suspension or termination or subsequently. However, costs during suspension or after termination are allowable if:

(a) The costs result from obligations which were properly incurred by the non-Federal entity before the effective date of suspension or termination, are not in anticipation of it; and

(b) The costs would be allowable if the Federal award was not suspended or expired normally at the end of the period of performance in which the termination takes effect. See 2 CFR Part 200.342.

Equipment purchased with grant funds shall revert to the HSO for disposition. Copies of any action involving suspension or cancellation will also be forwarded to the Regional Administrator of the NHTSA Regional Office.

v. Removal of "Grantee on Notice" status

A subrecipient designated as a "Grantee on Notice" will remain as such until the HSO has determined through a review that all deficiencies have been corrected. If all deficiencies are found by the HSO to have been corrected, the subrecipient will be removed from "Grantee on Notice" status at the beginning of the next fiscal year. If one or more of the initial reasons for designating the subrecipient as a "Grantee on Notice" is found to still exist any time during the fiscal year, the subrecipient will remain as a "Grantee on Notice". If a subrecipient is designated as a "Grantee on Notice" for a duration of six months or more during the fiscal year, the HSO will automatically place any requests by the subrecipient for funding in the next fiscal year within the "not to be funded" category.

## Q. MONITORING CALENDAR

Table 13. HSO Monitoring Calendar based on Federal Grant Year

| Month | Activity | Responsible HSO Staff |
|---|---|---|
| ***For new fiscal year:***<br>September (or earlier – must be pre award) | Conduct pre-award risk assessment | *PM* with approval of *Department Program Manager* |
| October | Select grants for onsite monitoring based on HSO criteria and issue monitoring schedule | *PCA* with approval of *Program manager* |

| | | |
|---|---|---|
| October – September | Complete ongoing monitoring at least once each month for each subrecipient | *PM* |
| November – July | Conduct onsite monitoring in accordance with monitoring schedule | *PM and PCA* |
| November – July | Periodically track completion of onsite monitoring by *PCA*<br>Review completed onsite-monitoring reports<br>Generate notification to subrecipients with positive findings<br>Determine corrective action if any to resolve negative findings<br>Initiate, track and assure completion of corrective action including notification letters | *PCA and Department Program Manager(s)* |
| ***For prior fiscal year*:**<br>October | Review onsite monitoring schedule to ensure completion of monitoring of all selected grants<br>Determine whether any follow up action is necessary, and flag any subrecipient with pending resolution of findings | *PCA and/or Program Manager* |

## R. APPEALS

A proposed grant applicant or a subrecipient may appeal the following decisions by the HSO:

Denial of a proposed grant application

Withholding payment of a claim

Requiring a refund of grant money

Suspension or cancellation of a grant or part of a grant

The appellant shall submit, within 15 days after receipt of notification of the decision, a written request for appeal to meet with the HSO *Director* and other appropriate staff to present any documentation in support of the appellant. Written notice of the decision of the HSO *Director* will be sent to the applicant or subrecipient within thirty days of the decision.

If the appellant wishes to make a further appeal, the appellant shall submit, within 15 days after receipt of notification of the HSO 'Directors decision, a written request to meet with the *CDOT Executive Director or NHTSA region manager* to present any documentation in support of the appellant. Written notice of that decision will be sent to the subrecipient within thirty days of the decision.

For requirements of applicable Federal regulations for appeals, see also Section P. Resolution of Monitoring Findings.

# Chapter VI

# VI Fiscal Procedures


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# VI. Fiscal Procedures

## A. IN-HOUSE GRANT PAYMENT AND FEDERAL REIMBURSEMENT VOUCHER PROCESS

i. Review Process

The HSO PM reviews claims submitted by subrecipients for reimbursement of grant related expenses. After review and verification, the HSO PCA conducts a financial review of the claim and, upon finding it accurate and appropriate, proceeds to submit the claim to the Department's Business Office Department for payment. The Business Office staff performs certain required accounting actions in the State SAP accounting system, Grant Accounting takes appropriate actions in the Federal GTS system to assist with subrecipient payment and the HSO Federal reimbursement voucher submission. A similar procedure is used for the payment of State agency grant agreements. The following tables, Table 14. HSO Subrecipient Claim Review and GTS Process and Table 15. State Agency Claim Reimbursement Process, explain the steps involved in the review and processing of subrecipient and State agency claims. The tables are followed by additional information regarding these responsibilities.

Note: It is imperative that the HSO assign a high priority to processing claims in order for reimbursement payments to be made in a timely manner. The HSO tracks turnaround time from date of receipt to date of payment to ensure timeliness of claims processing.

Note: Certain claims will not be approved for payment unless a Progress Report(quarterly) has been received from the subrecipient for the corresponding time period. Final claims will not be approved for payment without the receipt of the Progress Report for the final period of the grant and the Final Report (See Chapter IV. Grant Selection and Execution, Section F. Reporting Requirements).

**Table 14. HSO Subrecipient Claim Review and GTS* Process**

| Responsible Party | Action |
|---|---|
| Program Manager | Opens mail and date stamps claim and Progress Report |
| Program Manager | Reviews claim for grant compliance. Resolves any issues, signs and dates.<br>Creates the SAP ML81N to pay the claim |
| PCA | Reviews claim and submits to the Business Office for processing in SAP. |
| CDOT Business Office | Approves claim, processes payment is SAP and submits for posting. Business Manager posts claim and returns documents to HSO |
| Grant Accountant | Reviews SAP, creates GTS Voucher detail documents submits for review from Business Office Budget Analyst |
| Grant Accountant<br>GA | During the second week of each month runs an audit trail (copy of Manually Billed Projects for all HSO projects) and prints hard copies for the time period to reconcile the State ledger codes for the State projects from the current month<br>GA also checks for older expenditures which have not yet been billed through GTS. If resolved, they are included in the current bill<br>After reconciliation of the HSO billing spreadsheet, GA accesses the GTS and inputs financial billing data by Federal grant number.<br>A GTS transaction report is sent by GA to the HSO for review and approval. If unable to bill an item, exceptions are noted.<br>GA also enters State/local match into GTS. |
| Business Office Budget<br>PCA & GA | Reviews GA GTS report and verifies entries prints voucher detail for support tasks, mini grants, and LEL program<br>GA Reviews any GTS "error" messages and resolves<br>GA Posts and authorizes the voucher using electronic signature authority<br>Annually the GA Enters federally required benefit to locals (40 percent) See Chapter II, Section J. Benefit to Locals |
| Administration and Support section/HSO | **Note**: At the beginning of each fiscal year:<br>1) The HSO Manager supplies the grant dollar amounts for the HSO the Business Office for creation in SAP and to the Grant Accounting System including match amounts and Project Development Authority codes.<br>2) The Grant Accountant enters the Federal obligation information into GTS from the HS-217 Cost Summary for the current fiscal year. This may change with GMSS |

* See Section B. Federal Grant Tracking System for additional information on GTS.

**Table 15. State Agency Claim Reimbursement Process not processed differently but requires and ITI document. No check is issued**

| | |
|---|---|
| Subrecipient | Generates required reimbursement form on line and sends to HSO – all state agencies use the same claim form as non-state |
| PM | Prints hard copy of form, date stamps and codes document |

| | |
|---|---|
| PM | Reviews/resolves any issues with form<br>Checks for agreement with ITI form on file<br>Resolves any issues, signs issues ML81N and dates, sends to PCA |
| Accounting Tech | After review, sends original form to Business Office for payment |
| Business Office/Finance | Issues electronic transfer payment – enters into ledger system CORE<br>Original form filed in OTS/HSO |

### ii. Entry of State/Local Matching Share

In addition to actual costs to be reimbursed to the State, federally required match funds must be calculated annually by the HSO and entered into the GTS. This calculation determines the total funds, Federal and State match, which have been spent for all the National Highway Traffic Safety Administration (NHTSA) funding sources.

The HSO process, which ensures that Federal program match information entered into GTS for all traffic safety grants, is based on the actual program match amounts calculated by the HSO and reflected on subrecipient vouchers submitted to the HSO for reimbursement. The HSO shall ensure the actual program match amounts reported by subrecipients and reflected in the GTS are fully supported and documented in the individual project files. If in fact such program match amounts are insufficient to meet overall program match requirements, then the HSO shall arrange for additional sources of legitimate program match to eliminate the shortfall.

The HSO shall ensure that subrecipients clearly understand the program matching requirements of the funding source for their project and that the amount of match required may be substantially higher than the amount of Federal funds they receive for expenditure. This is addressed in the Pre-Work meeting.

The entry of required State/local match information into GTS should be completed at the beginning of the Federal fiscal year and then rechecked at fiscal year closeout. See Section C. Matching Funds.

### iii. Reporting of Benefit to Locals

Local benefit expenditures should be reported in GTS by March 31 each year AND shall be_reconciled at closeout to ensure full compliance when preparing the final voucher. The 40% minimum need not be met by March 31, but whatever local benefit that has been expended by that date should be reported. If the percentage appears to be significantly low on March 31, the HSO should do further research to determine the cause – i.e. slow vouchering by locals or insufficient number or dollar amount of local sub grants. See 23 CFR Part 1200.23 (a) (3). Current local benefit source documentation must be readily available on site including evidence of an active local voice in the initiation, development and implementation of the programs when sub grants are directed to State agencies and local benefit is claimed. See 23 CFR Part 1200 Appendix E-Participation by Political Subdivisions. See also Chapter II. Planning, Section M. Benefit to Locals.

### iv. Submission of Federal Reimbursement Voucher

The *Grant Accountant* submit a Federal reimbursement voucher to NHTSA monthly and no later than the 15 working days after the end of each month. Where a State receives funds by electronic transfer at an annualized rate of one million dollars or more, vouchers shall be submitted on a monthly basis no later than 15 working days after the end of each month. A final voucher shall be submitted no later than 90 days after the end of the fiscal year and all unexpended balances shall be carried forward to the current fiscal year.

There is no requirement that the monthly voucher requirement pertain to only "new" funding; only that vouchering must be conducted monthly.

At a minimum, each voucher shall provide the following information for expenses claimed in each program area:

Program Area for which expenses were incurred and an itemization of project numbers and amount of Federal funds expended for each project for which reimbursement is being sought

Federal funds obligated

Amount of Federal funds allocated to local benefit (provided no less than midyear (by March 31) and with the final voucher)

Cumulative Total Cost to Date

Cumulative Federal Funds Expended

Previous Amount Claimed

Amount Claimed This Period

Matching rate (or special matching write off used, i.e. sliding scale rate authorized under 23 USC 120).

Copies of each project agreement for which expenses are being claimed under the voucher (and supporting documentation for the vouchers) shall be made promptly available for review by the NHTSA Regional Office upon request. Each project agreement shall bear the project number to allow the NHTSA Regional Office to match the voucher to the corresponding activity.

The HSO shall work with the various Department divisions responsible for the State and Federal accounting and reimbursement process to ensure that Federal reimbursement vouchers are complete, accurate and in full compliance with the requirements contained in 23 CFR §1300.33 (a) - (e).

**v. Federal Reimbursement Rejection**

Failure to provide the required information shall result in rejection of the voucher. Failure to meet the stated deadlines may result in delayed reimbursement. Vouchers that request reimbursement for projects whose project numbers or amounts claimed do not match the list of projects (submitted by the HSO) or exceed the estimated amount of Federal funds provided under 23 CFR §1300.11 (e), or exceed the allocation of funds to a program area in the HS 217 shall be rejected, in whole or in part, until an amended list of projects and/or estimated amount of Federal funds and an amended HS 217 is submitted to and approved by the NHTSA Regional Office in accordance with 23 CFR §1300.32.

## B. FEDERAL GRANT TRACKING SYSTEM (GTS)

The GTS is a Windows-based data base program developed by NHTSA to assist the States in the financial management of Federal grants. GTS was designed primarily to automate the financial information process, produce the required Federal financial documents at the program area level and electronically transmit this information to NHTSA's accounting department.

i. Types of GTS Transactions

GTS handles five major types of automated transactions. Each transaction type depends on the order of completion, validity, and accuracy. These five transaction types are:

Obligation Limitation

Obligation Cost Summary

Advance of Funds

Advance Reduction

Voucher

Explanations of each of these transaction types follow.

Obligation Limitation – The "Obligation Limitation" establishes the amount of federal funds available for expenditure under NHTSA 402 and designated incentive grant funds. The amounts of these funds available for the "Obligation Limitation" are downloaded into GTS.

Obligation Cost Summary - The "Obligation Cost Summary" produces financial documents that obligate funds for the federal computerized accounting system. The overall process involves entering obligations for the current year and carry-forward funds into the GTS system. All entered information is verified and posted. After all of the postings have been processed; GTS automatically sends an electronic approved copy to the NHTSA Regional Office and to the Federal Accounting System.

Advance of Funds - The advance request transaction allows the state to request federal funds electronically and prior to submission of a voucher. Prior to requesting federal funds or an advance request, federal funds must be obligated.

Advance Reduction - Only States using the advance method of reimbursement with an outstanding advance balance can complete this transaction. Advance reduction transactions result when a State issues a check to NHTSA for either: reducing an outstanding advance balance *or* paying NHTSA an amount owed that resulted from an audit finding. Paying an amount that resulted from an audit finding can also be accomplished through a "Voucher Reduction" transaction.

Voucher - Voucher transactions allow the State to process vouchers. Expenditures of funds must have a voucher at the same level that the funds were obligated - at the program, project, task, or sub-task level. Voucher reductions can also be entered just like a regular progress voucher, except that the amount entered will be a credit entry only.

***NOTE:*** As of January 1999, the Federal voucher is not able to be imported to the GTS.

ii. GTS Reports

A variety of GTS reports are available to streamline the State's fiscal management process and reduce the workload associated with meeting Federal reporting requirements. These reports are:

**HSP Transactions Report -** This report itemizes all Highway Safety Program (HSP) transactions, provides detailed information on Federal funds, and assists in determining data entry errors.

**HSP Cost Summary Report -** This report reflects detailed information by project, program area, specific funding sources sub-totaled by NHTSA fund sections. The format of this report replicates the Federal HS-217 Cost Summary Form and shows the increase or decrease for each program area. This report can be printed in detail, showing each project or task, or summarized by program level amounts only.

**HSP Approved Program Amounts Report -** This report details the same information as the HSP Cost Summary report but does not report the decrease or increase for each program area.

**Obligated Programs Amount Report -** This report itemizes all detailed information by project, program area, NHTSA sections or other obligations. It also shows the amount of current and carry-forward funds.

**Highway Safety Program Cost Summary -** This report is strictly for Obligation purposes. The report format replicates the HS-217 Cost Summary Form and shows the increase or decrease for each program area. It can be printed in detail to reflect each project or task, or summarized to show program level amounts only.

**Voucher Transactions Reports -** This report details all voucher transactions.

**Status of Obligations and Expenditures -** This report is for information purposes only and shows the unobligated and unexpended amounts for each program area.

**Status of Current and Carry Forward Funds -** This report separates the obligations, expenditures, and unexpended funds by current fiscal year and by carry-forward (from previous years). This report also shows Federal share-to-local benefit, and State and local expenditures.

### iii. Electronic Transfer of Funds

Within 7-10 business days of approval of the voucher by the NHTSA Regional Office, funds are electronically transferred from NHTSA to the State Treasury.C. Matching Funds

This section provides information on the percentage of match funds which must be provided by the HSO to qualify for certain Federal funding programs.

Match is defined as State and local funds that are expended in support of other qualifying traffic safety programs and have not been utilized by another Federal, State of local agency as matching funds for a separate Federal project.

[NOTE: If the HSO requires that match be provided by subrecipients, the following paragraph should be utilized.]

**Subrecipient match:** The HSO shall ensure the actual program match amounts reported by subrecipients and reflected in the GTS are fully supported and documented in the individual project files. If in fact such program match amounts are insufficient to meet overall program match requirements, then the HSO shall arrange for additional sources of legitimate program match to eliminate the shortfall. The HSO shall ensure that the Federal program match information entered into the GTS for all traffic safety grants is based on the actual program match amounts reflected on subrecipient vouchers submitted to the HSO for reimbursement. The HSO shall ensure that subrecipients clearly understand the program matching requirements of the funding source for their project and that the amount of match required may be substantially higher than the Federal funds they receive for expenditure.

As provided in the NHTSA Highway Safety Grant Funding Guidance, Part II, B and Appendix A, the required State match amount is calculated as a percentage of the total (Federal and State) program costs. Those States affected by nontaxable Indian lands, Public Domain lands, National Forest, National Parks and Monuments that qualify for "Sliding Scale Matching Rates" should refer to NHTSA Order 462-6C State Matching Rates. See also 23 CFR Part 1200.20(f) for section 405 and 23 USC Part 120(b).

The HSO is responsible for calculating, documenting and recording required match by program. Special attention should be paid to unique requirements of specific programs. Written documentation of match must be on file and updated annually. The match funds must relate to the program type of the funding source (i.e. funds used to support impaired driving related programs must be used to meet Section 410 match requirements). Section 402 match dollars may have a general traffic safety purpose. For all match funds identified and documented by the HSO, no other program (Federal, State or local) may utilize the same dollars as program match.

INDIRECT COSTS: Indirect costs may be used as match for the Federal highway safety program. If the HSO uses indirect costs as match, then the costs would be auditable. The HSO also must document indirect costs to its share for the highway safety benefit only. If indirect costs are used as match, the HSO must be able to document that the match is not being used elsewhere or for matching another program. See Chapter IV. Grant Selection and Execution, Section H (i) P&A Match Requirement. 23 CFR 1300.20 for IFR detail.

MATCHING REQUIREMENTS: NHTSA Grant Funding Guidance Appendix A-Grant Funding Requirements

**MAP– 1 and the FAST Act (beginning FY2014)**

**Section 402 and Section 405:**

Federal share is not to exceed 80% unless a special matching write off is used (i.e. sliding scale rate authorized under 23 USC 120(b)).

No match is required for U.S. Territories or for the Indian Highway Safety Program.

**Matching Requirements for P&A:**

Section 402 (including Section 154 & 164 funds transferred to Section 402)

The Federal P&A share shall not exceed 50% of total P&A costs, except for select States using the sliding scale for match (See NHTSA Order 462-6C). The limit on the amount of Section 402 funds (and repurposed 402 funds) that can be spent on P&A is 13 percent of the total new 402 funds programmed for expenditure. NHTSA funds shall be used only to fund P&A activities attributable to NHTSA programs. Determinations of P&A shall be in accordance with the provisions of Appendix D.

No match is required for Section 154 or 164 funds transferred to Section 402. Section 154 or 164 funds may be moved from P&A back to program purposes but not back to P&A.

No match is required for U.S. Territories (23 U.S.C. 120(i)), or for federally recognized Indian Tribal governments (23 USC 402 (h) under the Indian highway safety program.

**Table 16. Summary of NHTSA Grant Fund Requirements for NHTSA Programs**

| Program Area | State Match | Planning & Administration | Local Use | Miscellaneous Information |
|---|---|---|---|---|
| Section 402 | 20% of total program costs;<br>**Exception:** Select States use a sliding scale for State Match;<br>**Exempt:** Indian Nations & Territories | **Ceiling:** P & A funds restricted to 10% (13% w/ FAST) of federal funds received annually;<br>Note – Indian Nations restricted to 5% administrative takedown.<br>**Match:** 50% match;<br>**Exception** - Select States use a sliding scale for State Match;<br>**Exempt** - Indian Nations & Territories | At least 40% of Federal funds spent by locals or designated as the benefit of locals;<br>**Exempt:** DC, Puerto Rico.<br>Note: Indian Nations and Territories A total of 95% of federal funds must be spent for local benefit/participation of Indian tribes. | |
| Section 405 - K2 | 25% 1st - 2nd yr.<br>50% 3rd - 4th yr.<br>75% 5th - 6th yr.<br>(of total program cost)<br>*Beginning in FY04 for States awarded TEA-21 405 funds in FY03 and FY04.<br>**Exempt:** Territories | None | None | State will maintain its aggregate expenditures from all other sources for occupant protection programs at or above the average level of expenditures for FYs 2014 & 2015 |
| Section 406 – K4 | None | **Ceiling:** P & A funds restricted to 10% of federal funds received annually;<br>**Match:** None required. | None | At least $1 million of grant funds received by each State must be obligated for behavioral highway safety activities. |
| Section 408 – K9 | 20% of total program costs;<br>**Exempt:** Territories | None | None | State will maintain its aggregate expenditures from all other sources for highway safety data programs at or above the average level of expenditures in its 2 fiscal years preceding the date of enactment of SAFETEA-LU. |
| Section 410 – K8 | 25% 1st - 2nd yr.<br>50% 3rd - 4th yr.<br>75% 5th - 6th yr. | Ceiling: P & A funds restricted to 10% of Federal funds received annually;<br>**Match:** 50% hard match; | None | State will maintain its aggregate expenditures from all other sources for alcohol traffic safety programs at or above the average level of such |

| | | | | |
|---|---|---|---|---|
| | (of total program costs); **Exempt:** Territories | **Exception** Select States use a sliding scale for State Match; **Exempt -** Territories | | expenditures in its 2 fiscal years preceding the date of enactment of SAFETEA-LU. **These funds may support both alcohol and drug impaired activities.** |
| Section 1906 – K10 | 20% of total program costs<br>**Exempt:** Indian Nations & Territories | None | None | |
| Section 2010 – K6 | None | None | None | State will maintain its aggregate expenditures from all other sources for motorcyclist safety training programs and motorcyclist awareness programs at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of SAFETEA-LU. |
| Section 2011 – K3 | 25% 1st – 3rd yr.<br>50% 4th yr. | None | None | State will maintain its aggregate expenditures from all other sources for child safety seat and children restraint programs at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of SAFETEA-LU. Child Safety seat purchases limited to 50% of annual award. |
| Section 154 & 164 Transfer<br>AL – Open Container & Repeat Offender Funds<br>HE – Open Container & Repeat Offender Funds | None | Ceiling: P & A funds restricted to 10% of Federal funds received annually; **Match:** None required | **AL:** At least 40% of Federal funds spent by locals or designated as the benefit of locals;<br>**Exempt:** DC, Puerto Rico & HE – Open Container & Repeat Offender Funds | AL – Alcohol funds take on the characteristics of Section 402 funds and HE – Hazard Elimination funds take on the characteristics of FHWA's 23 USC 148 or 152 funds.<br>**These funds may NOT be expended on drug impairment related activities**. |
| Section 163 designated as Section 402 program | None | Ceiling: P & A funds restricted to 10% of Federal funds received annually; **Match:** None required | At least 40% of Federal funds spent by locals or designated as the benefit of locals;<br>**Exempt:** DC & Puerto Rico | These funds take on the characteristics of Section 402 funds. These funds are retained by FHWA and accounted for by the State's Highway agency and specific codes: QN-10 for NHTSA highway safety programs and QN-O8 for Federal-Aid highway type programs have been established to allow for separate accountability. |
| Section 163 designated as other Title 23 programs | None | None | None | These funds take on the characteristics of the program the funds in which they are used. These funds are retained by FHWA and accounted for by the State's Highway agency and specific codes: QN-10 for NHTSA highway safety programs and QN-O8 for Federal-Aid highway type programs have been established to allow for separate accountability |

## D. GRANT TRACKING SPREADSHEET

A Grant Tracking Spreadsheet is available in SAP via ZG01 to assist Accounting Department and HSO staff with tracking the current financial status and other related information regarding each approved grant agreement. The spreadsheet is available in an on-going basis in SAP as soon as the WBS elements are funded

The spreadsheet should contain the following information for each grant agreement:

Funding source

Program name HSP Project number

Project name

Proposed grant amount

State accounting system number

State agency agreement number, if applicable

The HSO Department Manager creates the Grant Spreadsheet which is reviewed frequently by the HSO staff and other Department staff to assure the accuracy and completeness of the information, to check the financial status of each grant agreement use SAP. The spreadsheet is used to compare to GTS and ensure accuracy of expenditures and GTS voucher.

**Debarment and Suspension** (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide Excluded Parties List System in the System for Award Management (SAM), in accordance with the OMB guidelines. OTS requires submission of the applicant's DUNS number when applying for funds. The PM will review sam.gov to ensure active status prior to reviewing and submitting the application for scoring and funding. The Program Manager will review the suspended and debarred requirements with all subrecipients during the prework and site visits and the OTS creates a Colorado Suspended/Debarred listing at the beginning of each grant year which is forwarded to the grantees for quick access. Grantees are reminded that it is their responsibility to review sam.gov thereby ensuring they do not give Federal dollars to ineligible parties.

## E. ALLOWABLE COSTS

CDOT reviews and approves each applicant's budget. Only those expenditures deemed necessary and reasonable for the completion of the program will be pre-approved. Any revisions to the approved budget must be requested and approved prior to expending funds. All expenses require documentation showing date of purchase, item purchased, proof of payment, and will be verified back to the approved budget. Salary and benefits will be validated and pay rate and hours will be documented. All Federal and State purchasing guidelines are applied to every sub-recipient's purchase.

Prior to FY2016 49 CFR Part 18.22 of the "Uniform Administrative Requirements for Grants and Cooperative Agreements" and 2 CFR Part 225 established the principles for determining allowable costs. Beginning with FY2016 grants, 2 CFR Part 200 Uniform Guidance is the controlling Federal regulation. Cost principles are contained in 2 CFR Part 200, Subpart E. Costs must be reasonable, allocable and necessary. Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

a) Each state must:

Expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also §200.450 Lobbying.

Maintain accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§200.327 Financial reporting and 200.328 Monitoring and reporting program performance

Maintain records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

Have effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See §200.303 Internal controls.

A Comparison of expenditures with budget amounts for each Federal award.

Documented/Written procedures to implement the requirements of §200.305 Payment.

Written procedures for determining the allowability of costs in accordance with Subpart E—Cost Principles of this part and the terms and conditions of the Federal

(a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.

(b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.

(c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.

(d) Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

(e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.

(f) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also Part 200.306 Cost sharing or matching paragraph (b).

(g) Be adequately documented. See also Part 200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

Applicable cost principles. For each kind of organization, there is a set of Federal principles for determining allowable costs. Allowable costs will be determined in accordance with the cost principles applicable to the organization incurring the costs. The following table lists the kinds of organizations and the applicable cost principles.

**Table 17. Applicable Federal Cost Principles by Organization Type**

| **For the costs of a --** | **Use the principles in --** |
|---|---|
| State, local or Indian tribal governments; Educational Institutions and Nonprofit organizations<br>For Profit entities | 2 CFR Part 200 Subpart E<br>Federal Acquisition Register (FAR)<br>OMB circular A-76 |
| Nonprofit Organizations Exempted From Subpart E | Appendix VII to 2 CFR Part 200 |
| Hospitals | Appendix IX to 2 CFR Part 200 |

i. Federal Regulations – Allowable Costs

Prior to FY2016 2 CFR Part 225 "Cost Principles for State, Local and Indian Tribal Government: (OMB Circulate A-87) established principles for determining the allowable costs incurred by State, local, and federally-recognized Indian tribal governments (governmental units) under grants, cost reimbursement contracts, and other agreements with the Federal Government. Appendix A of A-87, General Principles for Determining Allowable Costs, provided principles to be applied in

establishing the allowability or unallowability of certain items of cost. Appendix B of A-87, Selected Items of Cost for guidance regarding specific items commonly addressed by States.

For FY2016 and forward 2 CFR Part 200 General Provisions of Costs is applicable, see Parts 421 – 475. This section provides principles to be applied in establishing the allowability of certain items involved in determining cost, in addition to the requirements of Subtitle II. Basic Considerations, of that subpart. These principles apply whether or not a particular item of cost is properly treated as direct cost or indirect (F&A) cost. Failure to mention a particular item of cost is not intended to imply that it is either allowable or unallowable; rather, determination as to allowability in each case should be based on the treatment provided for similar or related items of cost, and based on the principles described in Part 200.402 Composition of costs, through 200.411 Adjustment of previously negotiated indirect (F&A) cost rates containing unallowable costs. In case of a discrepancy between the provisions of a specific Federal award (NHTSA) and these provisions, the Federal award governs. Criteria outlined in Part 200.403 *Factors affecting allowability of costs,* must be applied in determining allowability. See also Part 200.102 *Exceptions*.

ii. NHTSA Grant Funding Policy - Allowable and Unallowable Costs

The NHTSA Highway Safety Grant Funding Guidance, Part III and IV Allowable Costs under "Specified Conditions or Limitations for Selected Items" and "Unallowable Costs for Selected Items" are available on line and should also be consulted. It is not possible to list all allowable or unallowable costs. Questions should be reviewed with the PCA and researched through the Uniform Guidance. See below for the topic areas included in Parts III and IV.

Part III. Allowable costs under specific conditions or limitations for selected items:

Equipment

Travel

Training

Program administration (consultant services; purchase of alcohol [also see Part IV, D.3.], but in no case for consumption, in "sting" type operations as long as the operations are not in conflict with any Federal, State or local law; meetings and conferences; research; working with neighboring States)

Public communications (advertising space)

**Part IV. Unallowable costs for selected items:**

Facilities and construction including office furnishings and fixtures

Equipment

Training

Program administration (supplanting, civilian or military agencies, alcoholic beverages, entertainment, commercial driver, drug impaired activities with Section 154/164 funds)

Lobbying

See also NHTSA Uniform Guidance Questions and Answers March 5, 2015 and August 20, 2015.

iii. Automated Traffic Enforcement Systems Funding Prohibition

Beginning with MAP-21 in FY2014, the HSO may not expend funds apportioned under Section 402 to carry out a program to purchase, operate or maintain an automated traffic enforcement system. The prohibition includes any camera which captures an image of a vehicle for the purposes only of red light and speed enforcement. NOTE: This does not include hand-held radar and other devices operated by law enforcement to make an on-the-scene traffic stop, issue a traffic citation or other enforcement action at the time of the violation. Beginning with FY17, the FAST Act requires States with automated traffic enforcement systems to use Section 402 funds to conduct a biennial survey that lists the systems in the State, data to measure transparency, accountability and safety, and, a comparison of the systems to U.S. DOT guidelines on Speed Enforcement and Red Light Running.

iv. Motorcycle Checkpoint Funding Prohibition

For FY17 and beyond, the FAST Act prohibits the HSO from expending NHTSA grant funds for any program to check motorcycle helmet usage or to create check points that specifically target motorcycle operators or motorcycle passengers.

v. Proportional Benefit

The HSO or a subrecipient may have a cost for a project or activity that benefits two or more projects or activities. As provided in the Uniform Guidance at 2 CFR Part 200.405, if a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding this section, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis.

Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required.

vi. Collection of Unallowable Costs

As provided by 2 CFR Part 200.410, payments made for costs determined to be unallowable by either the Federal awarding agency, cognizant agency for indirect costs, or pass-through entity, either as direct or indirect costs, must be refunded (including interest) to the Federal Government in accordance with instructions from the Federal agency that determined the costs are unallowable unless Federal statute or regulation directs otherwise. See also Subpart D—Post Federal Award Requirements of this part, and Part 200.300 Statutory and national policy requirements through 200.309 Period of performance.

See also Chapter III. Project Development, Section E. Grant Proposal Preparation Process, vii. Budget, and, Chapter V. Grant Administration and Management. Because of the number of exceptions and restriction in allowable expenditures, special attention should be given to the annual budget submissions and requested revisions to ensure there are no potential unallowable/repayable expenditures.F. Single Audit Procedures – Federal Requirements

## F VII – AUDIT REQUIREMENTS

Prior to FY2016 the Federal directive is contained in OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and the audit threshold was $500,000 or more in Federal awards. For FY2016 and forward the Federal directive is within the OMB Uniform Guidance at 2 CFR Subpart F 200.500 - 521 and the threshold was increased to $750,000 or more.

The Federal regulation implements the Single Audit Act amendments of 1996 and provides uniform single audit requirements for all non-Federal grantees including State and local governments, colleges and universities, hospitals, and other non-profit organizations.

Subrecipients expending at or above the application threshold in Federal awards from all sources must complete and submit a single audit. To communicate this requirement, the HSO includes a standard requirement in all subrecipient agreements that describes the conditions that are subject to a single audit or review. The requirement also states that subrecipients must submit copies of any audits and review reports which they have had prepared to the HSO for informational purposes if requested regardless of whether the criteria for audit or review are met.

The HSO process to ensure that copies of all audits and other review reports pertaining to subrecipients are received and reviewed to determine the potential existence of findings that may require appropriate and timely corrective action. The HSO *PM will require an "audit status" document from every grantee. This document will certify exempt or non-exempt from the audit requirement and will be used as a guide for the PCA* who shall access, at least quarterly, the Single Audit Database (Harvester.com) maintained on line by the Federal Audit Clearinghouse (FAC) to determine whether audits for any current subrecipeints have been posted. (2 CFR Section 180.300 – an OMB requirement).

Audit results will be posted on the OTS Shared Drive and any CDOT related items will be documented and notice sent to the PM for follow-up with the subrecipient and CAP as necessary.

The HSO shall determine whether the audit meets the requirements of the Uniform Guidance. For FY2016, the auditor must report in findings any known questioned costs that are greater than $25,000 for a type of compliance requirement for a major program, see Part 200.516. Subrecipients shall provide access to their records and financial statement as necessary, see Part 200.331(a). As provided in 2 CFR Part 331(g), as a pass-through entity the HSO is responsible for

issuing a management decision for audit findings that relate to Federal awards it makes to subrecipients and must do so within six months of acceptance of the audit report by the FAC. The auditee must initiate and proceed with corrective action as rapidly as possible and corrective action should begin no later than upon receipt of the audit report. The HSO shall notify NHTSA of CDOT related issues and ensure that subrecipients take appropriate and timely corrective action in addressing audit findings. In cases of continued inability or unwillingness to have an audit conducted as required, the HSO shall take appropriate action using sanctions such as: (a) withholding a percentage of Federal awards until the audit is completed satisfactorily; (b) withholding or disallowing overhead costs; (c) suspending Federal awards until the audit is conducted; or (d) terminating the Federal award. See also Chapter V-Grant Administration and Management, Section P. Resolution of Monitoring Findings. CDOT Audit will also be working with all grantees to ensure audits are received timely and will follow-up with sanctions as needed to ensure compliance.

The single audit concept provides that recipients of Federal funds use their own procedures to arrange for audits made on an organization-wide basis, rather than a grant or project basis. If this organization-wide audit complies with the specific requirements of the Uniform Guidance, then no additional audit requirements are normally imposed and all grantor agencies will rely on such audits.

## G. CDOT AND THE OTS MAINTAIN STRONG INTERNAL CONTROLS

**maintain strong internal controls of all tax payer dollars. 2 CFR § 200.303(c) Internal Controls** The non-Federal entity must:

- Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

  Specific management control standards are:

- **Delegation of Authority and Organization.** Managers should ensure that appropriate authority, responsibility and accountability are defined and delegated to accomplish the mission of the organization, and that an appropriate organizational structure is established to effectively carry out program responsibilities. To the extent possible, controls and related decision-making authority should be in the hands of line managers and staff.
- **Separation of Duties and Supervision.** Key duties and responsibilities in authorizing, processing, recording, and reviewing official agency transactions should be separated among individuals. Managers should exercise appropriate oversight to ensure individuals do not exceed or abuse their assigned authorities.
- **Access to and Accountability for Resources.** Access to resources and records should be limited to authorized individuals, and accountability for the custody and use of resources should be assigned and maintained.
- **Recording and Documentation.** Transactions should be promptly recorded, properly classified and accounted for in order to prepare timely accounts and reliable financial and other reports. The documentation for transactions, management controls, and other significant events must be clear and readily available for ex amination.
- **Resolution of Audit Findings and Other Deficiencies.** Managers should promptly evaluate and determine proper actions in response to known deficiencies, reported audit and other findings, and related recommendations. Managers should complete, within established timeframes, all actions that correct or otherwise resolve the appropriate matters brought to management's attention.
- Other policy documents may describe additional specific standards for particular functional or program activities. For example, OMB Circular No. A-127, "Financial Management Systems," describes government-wide requirements for financial systems. The Federal Acquisition Regulations define requirements for agency procurement activities.

# Chapter VII

## VII Annual Report (AR)


| | |
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# VII. Annual Report (AR)

## A. OVERVIEW

The HSO is responsible for submitting the AR to the NHTSA Regional Office. The report describes the accomplishments of the HSO. The report is due within 90 days after the end of each Federal fiscal year (December 31).

The Regional Office utilizes a standard checklist to review the AR and provides a formal review letter to the HSO. The review ensures that the HSO adequately follows specified requirements and procedures in developing the plan, and, compares the targets and performance measures in the Highway Safety Plan (HSP) to the AR and the most recently available data to measure State safety performance progress.

## B. FEDERAL REQUIREMENTS

i. Required AR Contents

As prescribed in 23 CFR §1300.35, within 90 days after the end of the fiscal year, each State is required to submit an AR describing:

A general assessment of the State's progress in achieving highway safety performance measure targets identified in the Highway Safety Plan (HSP);

A general description of the projects and activities funded and implemented under the HSP;

The amount of Federal funds expended on projects from the HSP, and,

How the projects funded during the fiscal year contributed to meeting the State's highway safety targets. Where data become available, a State should report progress from prior year projects that have contributed to meeting current State highway safety targets.

ii. Progress Report

The HSO compiles the information contained in the subrecipient Final Reports, year-end statistics, fund expenditure reports and other pertinent information. The AR progress report section includes:

Identification of the highway safety performance targets established in the HSP and a general assessment of the State's progress in working toward achievement of those targets

A general description of each of the projects and activities funded and implemented under the HSP – like projects and activities can be aggregated for this description

Identification of the final amount of Federal funds expended on each project. If the HSO enters data into the GTS system at the project level, the final voucher will meet this requirement

A description of how the projects funded contributed to meeting the highway safety targets. This includes projects from a prior year if data is recently available which indicates the project contributed to meeting the current highway safety targets

Paid Media projects may be reported within the applicable individual program area or grouped in a separate summary report. If a separate summary report for Paid Media is provided, a reference should also be included in the respective program area to identify the contribution to the program area performance measure target. See NHTSA Highway Safety Grants Management Resources-Advertising Guidance.

If under SAFETEA-LU section 2011 funds were received which have been expended in the fiscal year, a report must be included within the Annual Report for each fiscal year until all Child Restraint grant funds are expended. See 23 USC 405 Section 2011 and Implementing Guidance for Child Restraint Grant Program for the specific information required to be included in the report.

If an Attitudes Survey is conducted, the complete findings are required to be reported in the following year's AR. By mutual agreement between NHTSA and GHSA, States began conducting an annual Attitudes Survey in FY2010. The survey contains 9 recommended (or equivalent) questions on occupant protection, impaired driving and speeding. See the GHSA web site, Projects page: Survey Recommendations for the NHTSA-GHSA Working Group Reporting of the survey results by the States began with the FY 2010 AR, see Traffic Safety Performance Measures for States and Federal Agencies DOT HS 811 025 While conducting the surveys is not required in MAP-21, States are strongly urged to continue doing them and reporting the results.

iii. Recommended Elements - Optional Ideas

Cover page containing the State, Governor's name, Governor's Highway Safety Representative, and location of the Highway Safety Program Coordinator including contact information (name, address, phone, fax, email)

Table of Contents

Message from the Governor's Representative /Coordinator

Executive summary including discussion of any difficulties which may have affected the full attainment of stated targets

Mission and Vision Statements

Statewide HSO Program Overview including information on the Highway Safety Programs, who is involved with administering the programs and significant administrative accomplishments

State Enforcement Plan Results

Legislative Summary – significant accomplishments

List of traffic safety partners and/or groups used to develop the programs

Fiscal overview of obligations and expenditures by program area with graphs and charts

Future plans and targets to be set

Report Design

## C. GOVERNORS HIGHWAY SAFETY ASSOCIATION GUIDANCE

The GHSA is proactive in providing planning tools for the States. The first GHSA sponsored initiative was a "template" to standardize the ARs. GHSA revised the AR Guidance in October 2013. The previous "GHSA Annual Report Template" was a sample data spreadsheet. In the current version the spreadsheet has been eliminated. The spreadsheet was not widely used because over the years the States had developed their own protocol for generating and displaying the required data.

Each State's AR is posted annually by NHTSA to their web site for public viewing.

The GHSA Annual Report Guidance is available and can be downloaded from the GHSA web site, Planning Resources. Note that this document is still in draft form. NHTSA has reviewed it and provided input, but it is possible that minor changes will be made.

The GHSA AR Guidance is organized by required and recommended elements. For the required elements, best practice examples are provided.

States are encouraged to review the GHSA AR Guidance and utilize this resource proactively.

## D. AR DEVELOPMENT PROCESS CALENDAR

The HSO develops the AR in accordance with a schedule of activities and assigned responsibilities to assure completion of the AR by the NHTSA deadline. The Federal deadline for submission of the annual AR is December 31. This is a firm deadline. To ensure completion of the AR by the deadline, it is recommended that the HSO establish and follow an AR Development Process Calendar.

A deadline for submission of Final Reports from subrecipients must be set and tracked which allows adequate time for the HSO to receive, analyze and compile the required information for the Annual Report. Following is an example of an AR Development Process Calendar. The Calendar can be modified to add staff assignments and track completion of the AR.

Table 18. AR Development Process Calendar

| **Timeline** | **Activity** |
|---|---|
| *Beginning of fiscal year:*<br>October-September | Review subrecipient and HSO progress and monitoring reports during the year to identify significant highlights or accomplishments for inclusion in the AR |
| *End of fiscal year:*<br>October 1 | Track receipt of subrecipient Final Reports and send reminders where needed ensuring that all projects in the initial HSP and any amended or new projects during the year are included<br>Analyze and assemble data for each HSP core, other and activity performance measure to determine the State's progress in achieving performance targets for the year<br>Update State crash data and trends with the most recent available data |
| November 15 | Deadline for submission of subrecipient Final Reports |
| October-November 30 | Review subrecipient Final Reports and develop a general description of each project and activity funded and implemented including the total Federal fund expenditures (like projects and activities may be aggregated)<br>For each Program Area develop a general summary of the following:<br>problem statement<br>objectives<br>performance measures<br>performance targets<br>description of each project and activity funded and implemented<br>description of how the projects contributed to meeting the target<br>Federal funding amount expended and source for each project implemented<br>Paid Media projects may be reported within the applicable individual program area or may be grouped |
| | If section 2011 funds were expended, compile the required Child Restraint Grant Program report |
| | Compile the annual State Attitudes Survey results |
| December 15 | Develop any optional sections to be included - Assemble the AR components into a first draft for review |
| | Produce final Financial Obligation Closeout (voucher) and obtain HSO Administrator approval |
| December 23 | Submit draft AR for final review and approval by HSO Administrator |
| December 31 | Submit final AR to NHTSA Regional Office |
| January 1 | Distribute copies of AR to the HSO email list including State and Congressional legislators and post on the HSO web site (optional) |

# Chapter VIII

## VIII. Closeout

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B. Deadlines, Penalties and Extensions 8-3
i. Penalties 8-3
ii. Extensions 8-3
C. Federal Grant Tracking System Closeout Process 8-4
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# VIII. Closeout

## A. OVERVIEW

Grant and the Federal fiscal year closeout activities begin when all required progress reports, Final Reports and final invoices have been received from subrecipients by the Highway Safety Office (HSO).

When final claims are processed, the Department procedures for submittal of the final Federal reimbursement voucher must be followed. Included in this process is the final determination of the amount of program funds actually expended and the under run amount which is available for carry forward to the new program year.

Part of this process also involves the final determination of the amount of Federal funds expended for local benefit (40 percent minimum required), see Appendix E to 23 CFR Part 1200-Participation by Political Subdivisions, and that the State and local match to the program met or exceeded the minimums based on the Federal funding source requirements. See Chapter VI. Fiscal Procedures, Section C, Matching Funds.

## B. DEADLINES, PENALTIES AND EXTENSIONS

The State's HSP for a fiscal year and the State's authority to incur costs under that plan expire on the last day of the fiscal year. Beginning with MAP-21, the State is no longer permitted to extend the right to incur costs under the old fiscal year's HSP. Grant funds remaining at the end of the fiscal year are available for expenditure during the next fiscal year provided the State has a new HSP approved by NHTSA and the remaining funds (carry forward) are identified and programmed in the HSP and in an updated and approved HS 217. See 23 CFR §1200.41 (a). See Chapter II. Planning, Section Q. Three Years Plus One Federal Obligation Restriction.

NOTE: Funds obtained under SAFETEA-LU may continue to be expended under the previous rules and will be tracked (coded) separately in the GTS system from MAP-21 funds.

The Uniform Guidance provides that the pass-through entity (HSO) will closeout the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by the non-Federal entity. See 2 CFR Part 200.343 for the actions the non-Federal entity and Federal awarding agency or pass-through entity must take to complete this process at the end of the period of performance.

The HSO is required to submit the State's final billing for the closing grant year to NHTSA by December 31. In order to meet the annual closeout deadline, all final Project Reimbursement Claims must be received by the HSO from subrecipients by November 15 and be entered for payment into the State Accounting System by *December 5th* Any invoices received from subrecipients after November 15 cannot be processed or approved for payment with Federal funding.

The expiration of the HSP does not affect the ability of NHTSA to disallow costs and recover funds on the basis of a later audit or other review or the State's obligation to return any funds due as a result of later refunds, corrections or other transactions.

### i. Penalties

The final voucher constitutes the final financial reconciliation for each fiscal year, see 23 CFR §1200.40. There are penalties for failure to provide the information specified, meet the deadlines or to specify only projects whose project numbers or amounts match the list of projects and do not exceed the estimated amount of Federal funds for the project or the allocation of funds to a program area. The penalties may include rejection of the voucher in whole or in part. See 23 CFR §1300.33 (e).

ii. Extensions

Extraordinary circumstances to request an extension may be brought to the attention of the NHTSA Regional Administrator at the discretion of the HSO Administrator, however it is expected that this would occur very rarely. In this case, the State is required to submit a written request for an extension which describes the extraordinary circumstances necessitating an extension. The approval of any such extension request is required to be in writing, to specify the new deadline for submitting the final voucher and must be signed by the NHTSA Regional Administrator (Approving Official).

All grant related records shall be retained for at least three years from the date the final voucher is submitted to NHTSA

## C. FEDERAL GRANT TRACKING SYSTEM CLOSEOUT PROCESS

**Table 19. HSO Closeout Process**

| Responsible Person | Action |
|---|---|
| Final invoice received by: Project Manager(PM) | PM Date stamps invoice and reviews for payment |
| Program Manage(PM) | Reviews and ensures compliance with grant agreement and receipt of subrecipient's Final Report<br>As necessary, obtain additional supporting documentation from subrecipient or return to agency for completion<br>Signs<br>Forwards to PCA<br>Determines all final invoices have been received for the grant year (Deadline November 15)<br>Sends email notification to PCA that final invoices have been paid so WBS can be closed |
| Grant Accountant | Determines the final required matching shares and 40 percent benefit to locals amount and transmits information to Program Manager<br>Enters final invoice postings to the GTS<br>Notifies the HSO administrator of the amount of known carry forward funding by funding source, if any, for programming in the next fiscal year |
| Program Control Analyst (PCM) | Conducts standard invoice payment reconciliation processes<br>Submits invoices to Business office for final payments by December 5<br>Works with the HSO to check accuracy of information and enters required State matching share and 40 percent benefit to locals to GTS<br>Closes out the HSO fiscal year in SAP |

See also Chapter VI. Fiscal Procedures, Section A. In-house Grant Payment and Federal Reimbursement Voucher Process.

In addition to actual costs to be reimbursed to the State, the State's share of matching funds must be finally calculated based on the final expenditures and entered into the GTS. This calculation determines the total funds, Federal and State matching, which have been spent for NHTSA funding sources.

## D. GRANT FILE CLOSEOUT

After the final Federal reimbursement voucher for the grant year has been submitted, the HSO closes out each grant number and file for that fiscal year. The *Program Control Analyst* is responsible for completing the grant file closeout in SAP after notification from the Program Manager that final the claim has been processed. The Program Manager is responsible to ensure every file is reviewed for completeness, accuracy of documentation and resolution of any pending matters. The OTS Administrative Assistant will manage file rotation and creating of space for the ensuing year's files. The review will ensure all files contain:

Claims one through twelve

Budget and all revisions

Grant Revision Requests and Responses

Communications i.e. printed emails, letters, and etc.

Sub-Contractors signed contract and scope of work

All electronic files are included in the EDM on the shared drive.

## E. FINANCIAL OBLIGATION CLOSEOUT SUMMARY

The financial obligation closeout is a final accounting of all HSO expenditures for the year. As required in the 23 CFR Part 1200.40, the financial obligation closeout will include a copy of the final official voucher for total expenses incurred which satisfies the requirements of 23 CFR Part 1200.33. The following information for expenses claimed in each program area will be identified in the final voucher as follows:

Program area for which expenses were incurred and an itemization of project numbers and amount of Federal funds expended for each project

Federal funds obligated

Amount of Federal funds allocated to local benefit (March 31 and with the final voucher)

Cumulative total cost to date

Cumulative Federal funds expended

Previous amount claimed

Amount claimed this period

Matching rate (or special matching write off used if applicable)

The HSO *Grant Accountant along with the HSO Program Manager* is responsible for completing the final NHTSA Highway Safety Program Cost Summary Form HS 217 and submitting it to the HSO Administrator for signature prior to electronic transmittal of the form to NHTSA for approval by December 31 each year.

The NHTSA Approving Official may extend the time period to submit a final voucher only in extraordinary circumstances. A written request must be submitted for an extension. The approval shall be in writing, shall specify the new deadline for submitting the final voucher and shall be signed by the Approving Official.

The NHTSA Regional Office conducts a first and last voucher review in every State each fiscal year after closeout and no later than mid-March.

See Chapter II. Planning. Section Q. Three Years Plus One Federal Obligation Restriction

# Chapter IX

## IX Management of the Highway Safety Office

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Travel Policy 9-4

## A STAFF TRAINING:

The core competencies of fundamental knowledge, ability, skills and expertise required for OTS Staff in specific subject area or skill set have been identified (see Management of OTS Staff on the shared drive under training) It is the responsibility of the OTS Department Managers to ensure all staff members are aware of these competencies and to make available the time for their direct reports to attend possible training dates.

It is the responsibility of the staff member to schedule the class, participate in the class and record the participation and completion dates on the individual training logs.

CDOT classes as well as Federally required trainings are included in the core competencies. SAP tracks CDOT trainings in the Employee Self Service area. These trainings should be noted on the training log also.

Individual Training and Development Plan

# ***Individual Training and Development Plan***

**Name:**
**Current Title:**

| **Training/Development Completed in FY** | **DATE** |
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| **Training/Development Completed in FY** | |
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## B. TIME KEEPING:

The Uniform Guidance 200.430 section (i) sets the standards for documentation of Personnel Expenses. The time charged to the grant must be based on records that accurately reflect the work performed. These records must be supported by a system of internal controls which supplies reasonable that the charges are accurate.

SAP (CDOT Accounting System) enable the HSO staff to designate work activities based on the Function Area to which the time is assigned. It is the responsibility of the employee to accurately document their time spent on the Federal award not only by the program area but also including a description of the work performed.

| Function Area | Function Area Name | Activities |
|---|---|---|
| 1100 | ADMINISTRATION | General Day to Day interactions with Grantees management of the unit, emails, phones |
| 1326 | REPORTS/CORRES & QUESTION | Process claims request corrections, etc. |
| 1327 | MANUALS & DIRECTIVES | Update of Policies/Procedures - Self training on Policies and Procedures, NHTSA -GHSA guidance |
| 1330 | TRAINING PROGRAM | TSI Training OR program specific training |
| 1336 | PROJECT PLANNING TRAINING | Application reviews, goal setting, funding procedures |
| 1387 | UNIT/BRANCH/STAFF MEETING | Department Meeting |
| 1406 | STIP DEVELOPMENT | Development of ISP |
| 1430 | PERFORMANCE MEASURES | Goal Reviews - quarterly reports - final reports |
| 3010 | PLANNING & PROGRAMMING | Program events, program planning brainstorming with Grantees |
| 3299 | INDIRECT COST - CE | Confirmation of Indirect Cost rates |
| 3926 | TECH TRAINING COURSES & SAP | CDOT training - technical skills |
| 3927 | SAFETY TRAING COURSES & SAP | CDOT training - Safety |
| 3989 | COST AUDITS | On-Site visits and financial reviews |
| 4002 | CAPITAL EQUIPMENT | Inspection of Capital Equipment |

**Use of the SAP Function Area has eliminated the need for individual Personnel Activity Reports (PARS) for CDOT staff. The HSO does still require the PAR from grantees if they do not have a reporting system which breaks out the work performed for the grant.**

## C. TRAVEL POLICY:

See Colorado Department of Transportation Procedural Directive 90.1 and 90.2

All travel is approved by management.

Out of State travel is approved by the CDOT Executive Director and only the preapproved trips are allowed. In-state travel must be reviewed and approved with the employee's manager.

Staff is required to use fleet vehicles unless there are unusual and preapproved exceptions. Expenditure Reimbursements are made at the CONUS Per Diem and Colorado mileage rates. (see Colorado Fiscal Rules at http://www2.cde.state.co.us/artemis/paserials/pa8223internet/pa82232007internet.pdf

Hotel, airfare, vehicle rental, and similar expenses must be paid via the State Event Card and scheduled through the OTS Administrative Assistant.

All travel charged to the various support WBS' must be required and specific to the grant. A write-up of what was accomplished or learned may be required at the request of appointing authority or employee's manager for any trip.

# Definitions and Acronyms

**Accrued expenditures -** The charges incurred by the subrecipient during a given period requiring the provision of funds for: (1) Goods and other tangible property received; (2) services performed by employees, contractors, sub-grantees, subcontractors, and other payees; and (3) other amounts becoming owed under programs for which no current services or performance is required, such as annuities, insurance claims, and other benefit payments. Accrued income means the sum of: (1) earnings during a given period from services performed by the grantee and goods and other tangible property delivered to purchasers, and (2) amounts becoming owed to the grantee for which no current services or performance is required by the grantee.

**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. Other charges such as the cost of installation, transportation, taxes, duty or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the grantee's regular accounting practices.

**ADMINISTRATIVE REQUIREMENTS** -Those matters common to grants in general, such as financial management, kinds and frequency of reports, and retention of records. These are distinguished from ``programmatic'' requirements, which concern matters that can be treated only on a program-by-program or grant-by-grant basis, such as kinds of activities that can be supported by grants under a particular program.

**AR –** Annual Report

**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.

**Awarding agency** - (1) with respect to a grant, the Federal agency, and (2) with respect to a sub-grant (award), the party that awarded the sub-grant.

**Cash contributions** - The subrecipient's cash outlay, including the outlay of money contributed to the subrecipient by other public agencies and institutions, and private organizations and individuals. When authorized by Federal legislation, Federal funds received from other assistance agreements may be considered as subrecipient cash contributions.

**CFR –** Code of Federal Regulations

**Contract -** (except as used in the definitions for "grant'' and "sub-grant'' in this section and except where qualified by 'Federal'') a procurement contract under a grant or sub-grant, and means a procurement subcontract under a contract. Uniform Guidance 2 CFR Part 200.23: *Contract* means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or sub award.

**Contractor -** means an entity that receives a contract as defined in 2 CFR Part 200.22 Contract

**Cost sharing or matching -** The value of the third party in-kind contributions and the portion of the costs of a federally assisted project or program not borne by the Federal Government. Cost-type contract means a contract or subcontract under a grant in which the contractor or subcontractor is paid on the basis of the costs it incurs, with or without a fee.

**Designee** – A person or legal entity authorized by contract to perform certain duties on behalf of the HSO.

**EQUIPMENT -** Tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of*[$5,000*] or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

**FARS –** Fatality Analysis Reporting System

**FAST Act** – Fixing American's Surface Transportation Action

**FFATA** - Federal Funding Accountability and Transparency Act

**FHWA** – Federal Highway Administration

**FSRS –** FFATA Sub award Reporting System

**GHSA –** Governor's Highway Safety Association

**GM –** GRANT MANAGER

**GOVERNMENT -** A State or local government or a federally recognized Indian tribal government.

**GRANT** - An award of financial assistance, including cooperative agreements, in the form of money, or property in lieu of money, by the Federal Government to an eligible grantee. The term does not include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Also, the term does not include assistance, such as a fellowship or other lump sum award, which the grantee is not required to account for.

**GRANTEE (NHTSA DEFINITION) -** The government to which a grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity even if only a particular component of the entity is designated in the grant award document.

**GTS -** GRANT TRACKING SYSTEM

**HSO** – HIGHWAY SAFETY OFFICE

**HSIP –** HIGHWAY SAFETY IMPROVEMENT PROGRAM

**HSP –** HIGHWAY SAFETY PLAN

**LOCAL GOVERNMENT -** A county, municipality, city, town, township, local public authority (including any public and Indian housing agency under the United States Housing Act of 1937) school district, special district, intrastate district, council of governments (whether or not incorporated as a nonprofit corporation under state law), any other regional or interstate government entity, or any agency or instrumentality of a local government.

**MAP-21** – Moving Ahead for Progress in the 21st Century

**Metropolitan Planning Organization (MPO)** - a federally mandated and federally funded transportation policy-making organization that is made up of representatives from local government and governmental transportation authorities. (When regional, referred to as a Regional Planning Transportation Agency.)

**Monitoring** – A process whereby the HSO assesses program progress and compliance by reviewing project related reports and files, financial records, and interviews subrecipients.

**NHTSA** – The National Highway Traffic Safety Administration.

**NTP -** NOTICE TO PROCEED

**OBLIGATIONS -** The amounts of orders placed, contracts and sub-grants awarded, goods and services received, and similar transactions during a given period that will require payment by the grantee during the same or a future period.

**OMB -** The United States Office of Management and Budget.

**OUTLAYS (EXPENDITURES) -** Charges made to the project or program. They may be reported on a cash or accrual basis. For reports prepared on a cash basis, outlays are the sum of actual cash disbursement for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the amount of cash advances and payments made to contractors and sub-grantees. For reports prepared on an accrued expenditure basis, outlays are the sum of actual cash disbursements, the amount of indirect expense incurred, the value of in-kind contributions applied, and the new increase (or decrease) in the amounts owed by the grantee for goods and other property received, for services performed by employees, contractors, subrecipients, subcontractors, and other payees, and other amounts becoming owed under programs for which no current services or performance are required, such as annuities, insurance claims, and other benefit payments.

**P & A –** PLANNING AND ADMINISTRATION

**PERCENTAGE OF COMPLETION METHOD -** A system under which payments are made for construction work according to the percentage of completion of the work, rather than to the subrecipient's cost incurred.

**PI&E –** PUBLIC INFORMATION AND EDUCATION

**PM –** PROJECT MANAGER

**PRIOR APPROVAL -** Documentation evidencing consent prior to incurring specific cost.

**Program Area** – An area within a highway safety program eligible for traffic safety funding. Examples include: AL (Alcohol), OP (Occupant Protection), TR (Traffic Records), PT (Police Traffic Services), PA (Planning & Administration), etc.

**Program Manager (PM)** – The staff person at the HSO assigned to monitor and oversee project activities.

**Project** – Activities proposed or implemented by the HSO to address highway safety problems falling within one or more program areas.

**Project Agreement**– The written agreement between this Department and a subrecipient under which the Department agrees to provide funds in exchange for the subrecipient's performance of one or more projects supporting HSO programs.

**Project Director** – The person assigned by the Grantee to assume direct responsibility for administering all phases of the project agreement.

**REAL PROPERTY** - Land, including land improvements, structures and appurtenances thereto, excluding movable machinery and equipment.

**RFP –** Request for Proposal

**Scope of Work (SOW)** – The objectives and activities noted on the Project Agreement, which the subrecipient agrees to perform in compliance with instruction provided by the HSO. The subrecipient shall provide and charge only for those services requested by the HSO.

**SAFETEA-LU –** SAFE, ACCOUNTABLE, FLEXIBLE, EFFICIENT, TRANSPORTATION EQUITY ACT – A LEGACY FOR USERS, PUBLIC LAW 109-59

**SHARE** - WHEN REFERRING TO THE AWARDING AGENCY'S PORTION OF REAL PROPERTY, EQUIPMENT OR SUPPLIES, means the same percentage as the awarding agency's portion of the acquiring party's total costs under the grant to which the acquisition costs under the grant to which the acquisition cost of the property was charged. Only costs are to be counted--not the value of third-party in-kind contributions.

**SHSP –** STRATEGIC HIGHWAY SAFETY PLAN

**STATE -** Any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments. The term does not include any public and Indian housing agency under United States Housing Act of 1937.

**SUB GRANT -** An award of financial assistance in the form of money, or property in lieu of money, made under a grant by a grantee to an eligible subrecipient. The term includes financial assistance when provided by contractual legal agreement, but does not include procurement purchases, nor does it include any form of assistance which is excluded from the definition of "grant" in this part.

**SUBRECIPIENT -** a non-Federal entity that receives a sub award from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency (previously referred to as a sub grantee).

**SUPPLIES -** All tangible personal property other than "equipment" as defined in this part.

**SUSPENSION -** Depending on the context, either (1) temporary withdrawal of the authority to obligate grant funds pending corrective action by the grantee or sub-grantee or a decision to terminate the grant, or (2) an action taken by a suspending official in accordance with agency regulations implementing E.O. 12549 to immediately exclude a person from participating in grant transactions for a period, pending completion of an investigation and such legal or debarment proceedings as may ensue.

**TEA21 -** TRANSPORTATION EQUITY ACT FOR THE 21ST CENTURY, PUBLIC LAW 105-178

**TERMINATION -** Permanent withdrawal of the authority to obligate.

**TSRP** - GRANT PROGRAM CREATED TO PROVIDE LOCAL LAW ENFORCEMENT AND PROSECUTORS WITHIN THE STATE WITH A VETERAN PROSECUTOR, SPECIALIZING IN TRAFFIC SAFETY ISSUES WITH AN EMPHASIS IN IMPAIRED DRIVING, WHO SUPPORTS THEIR EFFORTS THROUGH TRAINING, EDUCATION, LEGAL RESEARCH AND TECHNICAL ASSISTANCE.

**Uniform Guidance -** Effective December 26, 2014, the Federal Office of Management and Budget (OMB) issued Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Agencies which supersedes requirements from OMB Circulars A-21, A-87, A-110, and A-122 (which have been placed in 2 C.F.R. Parts 220, 225, 215,

and 230); Circulars A-89, A-102, and A-133; and the guidance in Circular A-50 on Single Audit Act follow-up. AKA Super circular.

# Appendices


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**Caution!**

Federal regulations may change. To ensure that the most recent version is being utilized, it is recommended that the reader view the regulations **on line**.

## Appendix A – Federal Regulations, Documents and Guidelines

The following regulatory items govern the daily administration of traffic safety grants at the State level. Administrators of traffic safety grants should be familiar with and follow each cited title and rule to effectively design and manage programs. Many of these items are cited within the Policy Manual.

**Caution! Federal guidance and regulations may change. To ensure that the most recent version is being utilized, it is recommended that the reader view the regulations on line.**

The NHTSA Highway Safety Grants Management Resources is an important resource which should be checked regularly for updates and is available on the Internet. In 2013 NHTSA reorganized the previous Highway Safety Grant Management Manual into key categories and topical searches. Several items detailed below are available within the Resources page.

**Covering All Highway Safety Grants**

| Title | Revisions as of Date |
|---|---|
| NHTSA Highway Safety Grant Funding Guidance | 7/15/2015 |
| OMB Uniform Guidance – for FY2016 and forward<br>2 CFR Part 200 | Technical corrections 9/10/15 |
| 49 CFR Part 18 — DOT Common Rule-States<br>Resource page for 49 CFR - Common Rule | 07/24/2007<br>For FY2016 replaced by Uniform Guidance |
| OMB Audits-State/Local Gov.<br>OMB Circular A-133 - Audit of State/Local Govs. & Non-Profit Organ. (same as 49 CFR Part 90) | 06/27/03<br>For FY2016 replaced by Uniform Guidance |
| OMB Circular A-133. 2009 Highway Safety Compliance Supplement<br>2009 Compliance Supplement. OMB Circular A-133 (NHTSA portion) | 6/24/2009<br>For FY2016 replaced by Uniform Guidance |
| Implementation Guide for Office of Management and Budget Circular A-87 (ASMB C-10)<br>Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government | 4/08/1997<br>For FY2016 replaced by Uniform Guidance |
| State Certifications and Assurances Statements – Appendix A<br>NHTSA Highway Safety Grants Management Resources/Certifications and Assurances | 1/23/2013 |
| Lobbying Guidance<br>23 CFR Part 1200 Appendix A - Certifications<br>NHTSA Highway Safety Grant Funding Guidance - Appendix B | 1/23/2013 |
| NHTSA Logo Guidance<br>Use of NHTSA Logo Guidance | 1/18/2000 |
| Performance Measures<br>Traffic Safety Performance Measures for States and Federal Agencies | 8/01/2008 |

## Appendix B – OMB Circulars

Office of Management and Budget (OMB) circulars are frequently used reference materials in administering grants.

Effective with FY16 grants, NHTSA will require compliance with the OMB Uniform Guidance at 2 CFR Part 200 which consolidates and replaces several federal regulations listed below.

The following table lists OMB circulars that were applicable to the HSO program prior to FY2016:

**OMB Circulars Applicable to the Traffic Safety Program prior to FY2016**

| Document Title | Revisions as of Date |
|---|---|
| OMB Circular A-21 — 2 CFR Part 220 "Cost Principles for Institutions of Higher Education" | 8/31/2005<br>For FY2016 replaced by Uniform Guidance |
| OMB Circular A-87 — 2 CFR Part 225 "Cost Principles for State, Local and Indian Tribal Governments" – go to - NHTSA Highway Safety Grants Management Resources | 7/24/2007<br>For FY2016 replaced by Uniform Guidance |
| OMB Circular A-110 —49 CFR Part 19 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations" – go to - NHTSA Highway Safety Grants Management Resources | 7/24/2007<br>For FY2016 replaced by Uniform Guidance |
| OMB Circular A-122 — 2 CFR Part 230 "Cost Principles for Non-Profit Organizations" – go to NHTSA Highway Safety Grants Management Resources | 7/24/2007<br>For FY2016 replaced by Uniform Guidance |
| OMB Circular A-133 — "Audits of States, Local Government, and Non-profit Organizations" | 6/27/2003<br>For FY2016 replaced by Uniform Guidance |

## Appendix C. HSP Program Area Accounting Code Designators –

### MAP-21

Beginning with FY2014, the SHSO is given the option by NHTSA for Section 405 grant programs of reporting claims in the Grant Tracking System (GTS) at the project or the program level. The project level codes are significantly expanded under MAP-21 and are not listed here. The SHSO should consult the GTS for the Section 405 appropriate project level codes.

The Section 405 program level codes (referred to as "roll up codes") are:

| CODE | DESCRIPTION |
|---|---|
| 310 | 405b OP High |
| 320 | 405b OP Low |
| 330 | 405c Data Program |
| 340 | 405d Impaired Driving High |
| 350 | 405d Impaired Driving Mid |
| 360 | 405d Impaired Driving Low |
| 370 | 405d Impaired Driving Interlock |
| 380 | 405e Distracted Driving |
| 390 | 405f Motorcycle Program |

### SAFETEA-LU

| Funding Source | Program Code | Program Area |
|---|---|---|
| NHTSA 402 | | |
| | PA | Planning and Administration |
| | AL | Alcohol |
| | EM | Emergency Medical Services |
| | MC | Motorcycle Safety |
| | OP | Occupant Protection |
| | PS | Pedestrian/Bicycle Safety |
| | PT | Police/Traffic Services |
| | TR | Traffic Records |
| | DE | Driver Education |
| | AI | Accident Investigation |
| | DL | Driver Licensing |
| | SA | Safe Communities |
| | CP | Community Traffic Safety Project |
| | SB | Pupil Transportation Safety |
| | RS | Roadway Safety |
| | RH | Railroad/Highway Crossings |
| | SC | Speed Management |
| | SE | Speed Enforcement |

| | | |
|---|---|---|
| | TC | Traffic Courts |
| | CR | Child Restraint |
| | DD | Distracted Driving |
| | PM | Paid Advertising |
| | SO | Special Occupant Protection |
| | YA | Youth Alcohol |
| | TSP | Teen Safety Program |
| 405 Occupant Protection | | |
| | K2 | 405 Occupant Protection |
| | K2PM | 405 Paid Media |
| | | |
| 408 Data Program | | |
| | K9 | 408 Data Program Incentive |
| | | |
| 410 Alcohol | | |
| | K8 | 410 Alcohol SAFETEA-LU |
| | K8PA | 410 Alcohol Planning and Administration |
| | K8FR | 410 High Fatality Rate |
| | K8HV | 410 High Visibility |
| | K8PM | 410 Paid Media |
| | | |
| 2010 Motorcycle Safety | | |
| | K6 | 2010 Motorcycle Safety Incentive |
| | | |
| 2011 Child Seats | | |
| | K3 | 2011 Child Seat Incentive |
| | K3PM | 2011 Paid Media |
| | | |
| 1906 Prohibit Racial Profiling | | |
| | K10 | 1906 Prohibit Racial Profiling |
| | | |
| | | |
| 154 Transfer Funds | | |
| | 154PA | 154 Planning and Administration |
| | 154AL | 154 Alcohol |
| | 154PM | 154 Paid Media |
| | 154HE | 154 Hazard Elimination |
| | | |

| | | |
|---|---|---|
| 164 Transfer Funds | | |
| | 164PA | 164 Planning and Administration |
| | 164AL | 164 Alcohol |
| | 164PM | 164 Paid Media |
| | 164HE | 164 Hazard Elimination |
| | | |

# Appendix D. Non-Conflict of Interest Statement

COLORADO
Department of Transportation
Office of Transportation
Safety & Risk Management

NON-CONFLICT OF INTEREST STATEMENT

I certify that neither I nor any member of my immediate family has a material, personal, or financial relationship with any offeror, or to a direct competitor of any offeror under consideration by this grant review team. I further certify that no other relationship, bias or ethical conflict exists which will prevent me from evaluating any proposal solely on its merits and in accordance with the Alaska Highway Safety Office evaluation criteria.

Furthermore, I agree to notify the Colorado Highway Safety Office if my personal or financial relationship with one of the offerors is altered at any time during the evaluation process. If I am serving as the grant review team of record I agree to advise the Alaska Highway Safety Office of any changes that could appear to represent a conflict of interest.

Name

Department/Agency

Date

## Appendix E. Grant Scoring Criteria

**Office of Transportation Safety**

**FYXX GRANT APPLICATION SCORING FORM**

Applicant Agency_____ Project Name _____
FFY_____ Reviewer Name_____ Title
_____

Focus Area: 1. Impaired Driving_____ 2. Young Drivers_____ 3. Motorcycle Safety_____
4. Speed_____ 5. Seatbelt Compliance_____ 6. Child Passenger Safety_____
7. Pedestrian/Bicycle Safety_____ 8. Distracted Driving_____ 9. Older Driver _____

***Scoring Directions:*** *Score each numbered Evaluation Factor, using the evaluation criteria and point values. Please feel free to use the whole point range. It is ok to give a partial score or a zero if the applicant did not address the criteria sufficiently. Record the score for each section and then calculate Total Score and record on Page 4. In the* ***"Comments" box, summarize the list of the strengths and weaknesses for each evaluation factor. Please be specific; your comments may be used in the modification or denial of the application.***

**EVALUATION FACTOR**

The bulleted statements below each Factor are derived from the Application and Application Instructions

Problem Identification– 25 total possible points

Did the applicant:

Clearly specify a problem within **one** emphasis area that the proposed project will address? **(0-2 points)** _____

Identify the performance measure(s) the project will address? **(0-2 points)** _____

Identify a specific target population and geographic area? **(0-3 points)** _____

Use data specific to the local geographic area and target population to describe the magnitude of the problem to be addressed? (If local data are not available, did the applicant use data from another geographic location and make a compelling case for why and how this also applies to the population identified?) **(0-5 points)** _____

Use multiple years of data to describe the magnitude of the problem to be addressed in the target population? **(0-5 points)** _____

Include reputable references for each data source?

(This may be the Problem Identification Report, local law enforcement, etc.) **(0-3 points)** _____

Adequately establish the need for the project in this geographic area and specific population? **(0-5 points)** _____

**Score** _____

**Comments**

***Strengths:***

***Weaknesses:***

Project Rationale - 10 total possible pointsDid the applicant:

Choose a countermeasure that is listed in the NHTSA Countermeasures that Work? **(0-5 points)** _____

**EVALUATION FACTOR**

The bulleted statements below each Factor are derived from the Application and Application Instructions

*5-star strategies receive 5 points, 4-star strategies receive 4 points, 3-star activities receive 3 points, 2-star strategies receive 2 points, 1-star strategies receive 1 point, if the strategy is not listed 0-points.*

Clearly and concisely explain the reason for selecting the proposed program or approach? **(0-3 points)** _____

Specify an appropriate dosage for the program selected? **(0-2 points)** _____

*One-time events or presentations are generally not evidence-based approaches and should receive a score of 0.*

**Score** _____

**Comments**

***Strengths:***

***Weaknesses:***

Goal(s), Objectives and Activities – 20 possible points

Did the applicant's:

Project goal(s) impact one or more of the core performance measures? **(0-2 points)** _____

Goal(s) describe the final anticipated three-year outcome or result (e.g. reductions in deaths or injuries due to motor vehicle crashes for a particular population)? **(0-2 points)** _____

Goal(s) meet the following criteria: identify a target population; declarative statement, no jargon, short, concise, easy to understand; and stated in positive terms? **(0-2 points)** _____

Year 1 objectives include all S.M.A.R.T. elements (specific, measurable, attainable, realistic, and time-phased)? **(0-4 points)** _____

Year 1 objectives clearly align with the project goal(s)? Will the objectives help the applicant achieve the stated goal(s)? **(0-4 points)** _____

Year 1 activities logically describe how each objective will be achieved in a detailed, but concise way? **(0-4 points)** _____

Year 1activities include process indicators appropriate for measuring progress on completing each activity, as well as deadlines?

**(0-2 points)** _____

**Score** _____

**Comments**

***Strengths:***

***Weaknesses:***

**EVALUATION FACTOR**

The bulleted statements below each Factor are derived from the Application and Application Instructions

**Project Evaluation - 15 total possible points**

Did the applicant include:

Clearly articulated and appropriate process evaluation measures (who, what, when, how many) for each project activity? **(0-5 points)** _____

Clearly articulated, appropriate, and realistic outcome evaluation measures (changes in numbers attitudes knowledge, and/or behavior change) for each project objective? **(0-5 points)** _____

Clear and reasonable timelines and methods for collecting and analyzing data? **(0-5 points)** _____

**Score** _____

**Comments**

***Strengths:***

***Weaknesses:***

**Agency Qualification/Past Performance – 10 total possible points**

Did the applicant:

Specify staff qualifications, including fiscal and project management experience and staff experience provided is relevant and adequate to administer the project? **(0-5 points)** _____

Clearly demonstrate that the agency's resources and skills are adequate to manage the proposed project? If relevant, are background checks conducted? If the applicant received previous funding from CDOT, was past performance adequate? **(0-5 points)** _____

**Score** _____

**Comments**

***Strengths:***

***Weaknesses:***

**Community Collaboration and Support - 10 total possible points**

Does the applicant:

**EVALUATION FACTOR**

The bulleted statements below each Factor are derived from the Application and Application Instructions

Have established relationships with appropriate internal and external partners to execute and evaluate the proposed project?

**(0-5 points) _____**

Participate, lead, or plan to establish a coalition that will support the goals and objectives of the proposed project **(0-5 points) _____**

**Score _____**

**Comments**

***Strengths:***

***Weaknesses:***

**Long –Term Sustainability – 5 total possible points**

Did the applicant:

Include a logical and feasible plan to reduce reliance on federal funding and a long-term plan for the programmatic development and ongoing financial support for the project? **(0-5 points) _____**

**Score _____**

**Comments**

***Strengths:***

***Weaknesses:***

**EVALUATION FACTOR**

The bulleted statements below each Factor are derived from the Application and Application Instructions

**Budget - 5 total possible points**

Did the applicant:

Submit a budget amount that is reasonable, necessary and supports the project activities. **(0-3 points)** _____

Provide a budget narrative that clearly explains and justifies the requested funds and demonstrates agency support, including any required agency match. **(0-2 points)** _____

**Score** _____

**Comments**

***Strengths:***

***Weaknesses:***

**Total Score** _____

**Overall Comments**

***Strengths:***

***Weaknesses:***

Accepted _____

Special conditions _____

Not Accepted _____

Amount Requested: $_____ Recommended Level of Funding: $_____

**Appendix F. Selected Items of Cost Addressed in the Uniform Guidance**

Effective with FY2016 grants, compliance with the OMB Uniform Guidance at 2 CFR Part 200 which consolidated and replaced several federal regulations including OMB Circular A-87.

The following items are covered at 2 CFR Part 200 General Provisions for Selected Items of Cost. Because the Federal regulations have been consolidated, some items are not pertinent to the HSO.

Advertising and public relation costs

Advisory councils

Alcoholic beverages

Alumni/ae services

Audit services

Bad debts

Bonding costs

Collections of improper payments

Commencement and convocation costs

Compensation- personal services

Compensation – fringe benefits

Conferences

Contingency provisions

Contributions and donations

Defense and prosecution of criminal and civil proceedings and claims

Depreciation

Employee health and welfare costs

Entertainment costs

Equipment and other capital expenditures

Exchange rates

Fines, penalties, damages and settlements

Fund raising and investment management costs

Gains and losses on disposition of depreciable assets

General costs of government

Goods or services for personal use

Idle facilities and idle capacity

Insurance and indemnification

Intellectual property

Interest

Lobbying

Losses on other awards or contracts

Maintenance and repair costs

Materials and supplies costs, including costs of computing devices

Memberships, subscriptions and professional activity costs

Organization costs

Participant support costs

Plant and security costs

Pre-award costs

Professional service costs
Proposal costs
Publication and printing costs
Rearrangement and reconversion costs
Recruiting costs
Relocation costs of employees
Rental costs of real property and equipment
Scholarships and student aid costs
Selling and marketing
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# APPENDIX G

**COLORADO DEPARTMENT OF TRANSPORTATION**

# Limited English Proficiency (LEP) Plan

Civil Rights & Business Resource Center

June 2018

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## I. Introduction

In accordance with Title VI of the Civil Rights Act of 1964 and Executive Order 13166, CDOT's Policy Directive 604.0, "Policy on Non-Discrimination" provides that no person on the ground of race, color, national origin, sex, disability, or age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in any operation of CDOT or of any department or agency to which CDOT extends federal financial assistance. This Policy Directive further explains, "CDOT shall seek to communicate with LEP populations and provide LEP individuals meaningful access to CDOT programs and activities."

Limited English Proficiency (LEP) persons are individuals whose primary language is not English and who have a limited ability to read, write, speak or understand English. For LEP persons, language can be a barrier to accessing the benefits of program services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information regarding federally assisted programs or activities. In certain circumstances, failure to ensure that LEP persons can effectively participate in or benefit from federally assisted programs or activities may violate the prohibition against national origin discrimination under Title VI of the Civil Rights Act of 1964. CDOT, as a recipient of federal financial assistance, has an obligation to reduce language barriers that can preclude meaningful access by LEP persons to important services.

The purpose of this document is to establish a standard approach in effectively communicating with LEP persons and to provide guidance to CDOT staff on how to provide meaningful access to LEP persons. Additionally, this document provides guidance to the CDOT program areas identified in the Title VI Implementation plan in creating a language assistance plan that will outline the reasonable steps to be taken to provide effective communication and meaningful access to LEP persons for each employee involved in the identified program area.

This document does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against CDOT. However, LEP persons that feel they have been denied meaningful access may file a discrimination complaint based upon national origin under Title VI of the Civil Rights Act. CDOT's discrimination complaint form and complaint procedure can be found at https://www.codot.gov/business/civilrights.

## II. Authorities

The following are the relevant federal authorities and resources that require CDOT staff to provide LEP persons with meaningful access to programs, activities and services:

- Title VI of the 1964 Civil Rights Act

- Executive Order No. 13166 (Aug. 16, 2000) – Improving Access to Services for Persons with Limited English Proficiency

- Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficient (LEP) Persons, U.S. Department of Transportation, (Dec. 14, 2005)

- Policy on Non-Discrimination, Colorado Department of Transportation Policy Directive 604.0 (Jan. 27, 2014)

## III. Definitions

**LEP-** Limited English Proficiency (LEP) persons are individuals whose primary language is not English and who have a limited ability to read, write, speak or understand English

**Meaningful Access –** Language assistance that results in accurate, timely, and effective communication at no cost to the LEP individual. For LEP individuals, meaningful access denotes access that is not unreasonably restricted, delayed, or inferior as compared to access to programs or activities provided to English proficient individuals.

**Vital Document –** Paper or electronic material that is critical for access to the CDOT's services, programs, and activities, or contains information about procedures and processes required by law. Classification of a document as "vital" depends upon the importance of the program, information, encounter, or service involved, and the consequence to the LEP individual if the information in question is not provided accurately or in a timely manner.

**Effective Communication –** Sufficient communication to provide the LEP individual with meaningful access to the services that otherwise are available to the public.

**Reasonable Steps-** Steps taken or language assistance services provided to ensure effective communication with an LEP individuals (i.e. interpretation/translations services etc.)

**Eligible Service population-** The LEP population served by the program or project and that is encountered or likely to be encountered by the program or project.

**Safe Harbor-**The Safe Harbor Provision outlines the circumstances that can provide agencies a safe harbor regarding the translation of written materials for LEP populations. It stipulates that a grantee is in compliance if each eligible LEP language group has written translation of vital documents.

## IV. CDOT Staff Responsibilities

CDOT Staff must take reasonable steps to ensure that communication with an LEP individual is as effective as communications with others when providing similar programs and services. This section will provide CDOT staff with a framework for developing, modifying and implementing their own methods in providing language assistance to LEP persons. As a state agency, CDOT staff has the potential to interact with the public, including LEP persons in many different ways.

Potential interactions with LEP persons for CDOT staff can include the following:

- Program applicants and participants;
- Hotline or information line calls to CDOT;
- CDOT outreach programs;
- Visits to CDOT buildings;
- Public meetings and hearings hosted by CDOT;
- Public access to agency websites;
- Written materials or complaints sent in;
- Contact with Bustang or subrecipient transit operators; and
- Brochures intended for public distribution.

It is important to examine the manner in which the CDOT staff interacts with the public and/or LEP individuals (e.g. in-person consultations versus correspondence) as this can dictate the type of language assistance services provided.

### A. Language Identification

At the point of first contact with an LEP individual, CDOT staff must determine his/her primary language and use the appropriate language assistance services. Identifying an LEP person and his/her language helps provide consistent and meaningful access to the program or activity sought. The following are examples of ways to identify an LEP person's primary language:

- Self-identification by the LEP individual or companion
- Verification by a bilingual staff member
- Posting notices in commonly encountered languages to notify LEP individuals of language assistance may encourage them to identify themselves to CDOT staff.
- Use "I speak" cards to identify the language needs of the LEP person when first encountered. The "I speak" cards should be made visible and available to the public. A sample "I speak" card is available online at http://www.lep.gov/ISpeakCards2004.pdf.
- When public meetings/hearings are held, set up a sign-in table and have a staff member that speaks the predominant language (as identified by county in **Appendix A**) attend the meeting/hearing to greet and briefly speak to each attendee in order to informally gauge his/her ability to speak and understand English.

After identifying the language spoken by the LEP person encountered or likely to be encountered, CDOT staff will need to consider which language services to provide. The next section will discuss language assistance services in detail.

## B. Language Assistance Services

Effective communication with LEP individuals requires CDOT staff to have language assistance services in place. There are two primary types of language assistance services: oral and written. The service should be tailored to the needs of the LEP person and dependent on the CDOT project or program. The correct mix of services should be based on what is both necessary and reasonable.

Oral Language Services (Interpretation)

Interpretation is the act of listening to something in one language and orally translating it into another language. When interpretation is needed and is reasonable, it should be provided in a timely manner to be effective. CDOT staff will inform LEP persons that interpretation services will be provided at no charge and upon request. Staff should provide language assistance at a time and place that avoids the effective denial of the service, benefit, or right at issue or the imposition of an undue burden on or delay in important rights, benefits, or services. There are many ways to utilize interpreter services. The following are Interpretation options that can be used by CDOT Staff:

1. CDOT staff has the option of using a professional interpretation service. The State of Colorado has a price agreement with CTS LanguageLink for professional translation and interpretation services. CTS LanguageLink offers an over-the-phone interpretation service for **$0.62 per minute**. A list of languages for the interpretation service is attached as **Appendix D**. CTS LanguageLink also can translate written documents into more than 100 languages.

2. Bilingual CDOT staff can also be used for interpretation services. Maintaining a list of bilingual employees will be helpful when utilizing this service. In an effort to ensure the interpretation is effective consider the following when using a staff member:
   - Does the interpreter demonstrate proficiency and the ability to communicate information accurately in both English and in the other language?
   - Does the interpreter have knowledge in both languages of any specialized terms or concepts related to the program or activity?

3. CDOT staff may also consider using a telephone voicemail menu, in the most commonly encountered languages, that provides information about available language assistance services and how to receive these services.

4. Although CDOT staff may not require LEP individuals to provide their own interpreter services, if the LEP person chooses to do so and uses a minor, caution should be exercised due to potential issues with competency, confidentiality, or conflict of interest.

It is best practice to ensure interpreters are available at public meetings and notification should be provided to the public regarding the availability of interpreter services upon request.

Notifications for meetings must be in an appropriate language. The language to include in notices regarding language assistance services can be found in **Appendix E**.

Written Language Services (Translation)

Translation is the replacement of a written text from one language into an equivalent written text in another language. It is important to ensure that documents vital to the program or project are provided in English and any other regularly encountered languages. A document is considered vital if it contains information critical for obtaining services or is required by law. Vital documents must be translated at no charge to the LEP individuals.

The extent of CDOT's obligation to provide written translations of documents should be determined on a case-by-case basis. Because translation is a one-time expense, consideration should be given to whether the upfront cost of translating a document should be amortized over the likely lifespan of the document. Spanish Translation for Statewide and Regional Audiences.

CDOT staff should create a plan for consistently determining, over time and across various activities, which documents are "vital" to the meaningful access of LEP populations they serve. Awareness of rights or services is an important part of "meaningful access," as lack of awareness may effectively deny LEP individuals meaningful access.

Examples of written materials that could be considered "vital" include:

- Permit forms;
- Markings, signs, and packaging for hazardous materials;
- Notices of public hearings and other outreach materials;
- Signs in reception areas and other public areas;
- Notices advising LEP persons of free language assistance;
- Applications or instructions on how to participate in a program or activity or to receive benefits or services; and
- Consent forms.

CDOT serves the public for the state of Colorado; therefore, all documents that are vital to providing meaningful access to people at a statewide or regional level must be translated into the language that is most commonly spoken by LEP persons. According to census data, the most commonly spoken LEP language in Colorado is Spanish. For example, the Civil Rights & Business Resource Center has created a page in Spanish that contains information about the public's rights to equal access and nondiscrimination.[1] Information available on this webpage is considered "vital" because it notifies the public of its rights under Title VI of the Civil Rights Act 1964 and the Americans with Disabilities Act.

Google Translate and other automated translation services can be a tool for translating basic information in limited circumstances. For example, various CDOT websites can be translated into other languages using Google Translate. However, caution should be used when using automated translation to convey vital information. The U.S. Department of Labor recommends

[1] https://www.codot.gov/business/civilrights/espanol.html

using automated translation only if someone is capable of reviewing and correcting the translation to ensure that it is conveying the intended message.[2] While CDOT's website can be translated into several languages using Google Translate, it also contains Spanish information that was professionally translated. The following CDOT websites are available in Spanish using Google Translate:

- CDOT website – https://www.codot.gov/
- Bustang – www.ridebustang.com
- Statewide Transportation Plan – www.coloradotransportationmatters.com

*Safe Harbor*

An additional consideration regarding the translation of documents is the Safe harbor rule. The U.S. Department of Transportation's LEP guidance establishes a "safe harbor," regarding the requirement to translate vital documents.[3] A "safe harbor" means that providing written translation under the following circumstances serves as strong evidence of compliance:

(a) CDOT provides written translation of vital documents for each eligible LEP language group that constitutes 5% or 1,000, whichever is less, of the population of persons eligible to be served or likely to be affected or encountered.
(b) If there are fewer than 50 persons in a language group that reaches the 5% trigger, vital written materials do not need to be translated. Rather, CDOT staff may provide written notice in the primary language of the LEP group, of the right to receive competent oral interpretation of those written materials, free of cost.

Pursuant to the Safe Harbor provision, vital documents for a statewide or regional audience must be translated into Spanish because in Colorado the largest LEP population speaks Spanish. For vital documents related to a smaller or localized audience, staff must decide whether to conduct the four-factor analysis or safe harbor analysis. Failure to provide translations under the safe harbor does not mean there is noncompliance. The safe harbor is meant to provide greater certainty of compliance than can be provided by the fact-intensive, four-factor analysis. The safe harbor only applies to the translation of written documents. It does not affect the requirement to provide meaningful access to LEP individuals through oral language services.

## V. Additional CDOT Program Area Responsibilities

CDOT program areas listed in CDOT's Title VI Implementation Plan and are subject to CDOT's annual reporting to the Federal Highway Administration (FHWA), have additional considerations and must have a more thorough plan to effectively communicate with LEP persons. This type of plan is referred to as a language assistance plan. The language assistance plan is intended to memorialize each program areas approach to handling LEP encounters and

[2] The U.S. Department of Labor's presentation "Machine Translation: Ensuring Meaningful Access for Limited English Proficient Individuals" (June 24, 2014) discusses the pitfalls of relying on machine translations. http://www.dol.gov/oasam/programs/crc/062414Machine_TranslationWebinar.pdf
[3] 70 Fed. Reg. 239 at 74095.

effectively communicating with LEP individuals. This section will provide guidance to each program area on how to develop and implement a language assistance plan.

Language Assistance Plan Components
The Language Assistance Plan must, at the very least, include:

- A description of the population served pursuant to the four factor analysis;
- A description of efforts to provide language assistance services by language;
- A description of efforts to train employees to provide timely and reasonable language assistance to LEP populations;
- A description of efforts to provide notice to LEP persons about the availability of language assistance
- A description of the complaint handling procedures consistent with Procedural Directive 604.1; and
- A description of efforts to monitor, evaluate and update the LEP plan.

## A. Developing a Language Assistance Plan

This section is intended to assist CDOT program managers and project staff in conducting a four-factor analysis. This analysis includes a fact-dependent, individualized assessment performed by CDOT program managers on a programmatic and project level, to determine how much language assistance and outreach to conduct for specific programs and activities.
The four-factor analysis includes[4]:

1. Number or proportion of LEP persons eligible to be served or likely to be encountered by a CDOT program, activity, or service;
2. Frequency in which LEP individuals come into contact with CDOT;
3. Nature and importance of the program, activity, or service provided by CDOT to people's lives; and
4. Resources available to CDOT and costs.

Each CDOT program area manager or supervisor must complete this Four Factor Analysis and use the results to determine the program area's language assistance plan for ensuring meaningful access to LEP persons. This requirement includes, but is not limited to the following program areas: the Division of Transit & Rail;[5] Multi-modal Planning Branch; Environmental Programs Branch; Right of Way Program; Office of Transportation Safety; Applied Research and Innovation Branch; Communications Branch; and the Construction Program. All program area Language Assistance Plan updates must be submitted to CRBRC by September 1 annually.

*Factor #1: The number or proportion of LEP persons eligible to be served or likely to be encountered by a CDOT program, activity, or service.*

[4] A more detailed outline of the four-factor analysis is available in Policy Guidance Concerning Recipients' Responsibilities to Limited English Proficient (LEP) Persons, U.S. Department of Transportation, 70 Fed. Reg. 239 (Dec. 14, 2005). Additional guidance can also be found at www.lep.gov.
[5] CDOT's Division of Transit & Rail reports its LEP and Title VI efforts to the Federal Transit Administration.

The greater the number or proportion of LEP persons in the eligible service population, the more likely language services are needed. This population will be program or project-specific, and includes persons in the geographic area that are part of CDOT's service area. The eligible service population includes persons eligible to be served, or likely to be directly affected by the activity. Demographic data about the populations of the service area, past encounters with LEP persons, and information from community organizations, governments, and school systems can all be used to evaluate the service population and the number or proportion of LEP persons likely to be encountered. The focus of the analysis is on the lack of English proficiency, not the ability to speak more than one language.

As a starting point, **Appendix A** contains demographic data for LEP individuals at a statewide and county level. Program area staff should use the demographic data in **Appendix A** as a starting point for identifying LEP populations likely to be affected or encountered for a particular CDOT program, activity, or project. Each county is organized by CDOT Transportation Region (as shown in **Appendix B**) The demographic data is taken from the U.S. Census Bureau and supplemented by data from the Colorado Department of Education.

The following are available resources for demographic information:

A. Federal Interagency Working Group on Limited English Proficiency
www.lep.gov/demog_data/demog_data.html
B. U.S. Census Bureau
www.census.gov/hhes/socdemo/language/data/index.html
http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml
www.census.gov/hhes/socdemo/language/
C. U.S. Department of Education
http://ocrdata.ed.gov/
D. National Center for Education Statistics
http://nces.ed.gov/fastfacts/display.asp?id=96
E. The Civil Rights and Business Resource Center

*Factor #2: The frequency in which LEP individuals come into contact with CDOT.*

The CDOT program area or project manager must consider the frequency with which they have or should have contact with LEP individuals. The more frequent the contact, the more likely enhanced language services will be needed. If an LEP individual accesses a program or service on a daily basis, CDOT has greater duties than if the same individual's contact is unpredictable or infrequent. Additionally, staff must consider whether appropriate outreach to LEP person could increase the frequency of contact with LEP groups.

*Factor #3: The nature and importance of the program, activity, or service provided.*

During this step, The CDOT program area or project manager must assess the nature and importance of the activity, information or services provided. Language services are more likely

needed the more important the activity, information, service, or program because there are greater consequences of the contact to LEP individuals. Staff must determine whether denial or delay of access to service or information could have serious implications for the LEP individual. Information from community organizations and past contact with LEP persons can help aid this analysis.

*Factor #4: The resources available to CDOT and costs.*

The CDOT program area or project manager must identify their available resources to determine the reasonable steps needed to provide meaningful access for LEP persons. "Reasonable steps" may cease to be reasonable where the costs imposed substantially exceed the benefits. Staff should carefully explore the most cost-effective means of delivering competent and accurate language services before limiting services due to resource concerns. CDOT is a large statewide entity that serves a significant number of LEP individuals. U.S. Department of Transportation guidance states that large entities "should ensure that the resource limitations are well substantiated before using this fact as a reason to limit language assistance."[6] Thus, reasons for limiting language assistance based on cost should be documented

Identifying available resources includes: (1) creating an inventory of language assistance measures currently being provided; (2) determining what, if any, additional services are needed to provide meaningful access; (3) analyzing the budget for language assistance expenses; and (4) considering cost effective practices for providing language services.

## B. Implementing the Language Assistance Plan (LAP)

A Language Assistance Plan describes the measures to be implemented when providing language assistance to LEP individuals and is based on the four factor analysis. Once a language assistance plan has been created, the next step is to implement it within each identified program area. Implementation of the LAP includes how to monitor and update the LAP, training staff on the LAP, how to provide notice regarding the services offered in the LAP, handling LEP complaints and finally subrecipient obligations.

Monitoring and Updating LEP efforts

Managers and supervisors in each identified program area are responsible for ensuring that meaningful access to LEP persons are provided in their respective divisions/programs. This Plan should be incorporated by reference into the appropriate procedure manuals to ensure that employees are aware of their obligations for compliance.

Managers and supervisors are also responsible for tracking all of their program's encounters with LEP individuals and documenting how those individuals were provided meaningful access. Tracking such data is crucial for analyzing frequency of contact with LEP individuals in a four-factor analysis. Provided in **Appendix C,** is a LEP reporting sheet that each program area is encouraged to adopt and required to submit to the CRBRC annually.

[6] 70 Fed. Reg. 239 at 74092.

The CRBRC will monitor the language assistance policies and procedures annually to evaluate their effectiveness in serving LEP individuals, modify it accordingly, and report to the Federal Highway Administration in CDOT's annual Title VI Goals and Accomplishments Report. In addition to the information collected through the LEP report document, the annual evaluation will include:

- Identifying LEP population served
- Assessing the current level of services delivered to LEP individuals by each program area
- Reviewing LEP training received by CDOT employees
- Reviewing activities by each program area
- Evaluating complaints (both at the regional level and the headquarters level)

Training Staff on Policies and Procedures

CDOT program managers must ensure new staff members are trained on the language assistance measures for each program. CDOT program managers are responsible for updating the language assistance plans at least annually and providing the CRBRC with a copy. Additionally, staff member training must be updated as often as the LEP plan is updated. The CRBRC is available to assist with information and training requests as needed.

Providing Notice to LEP Persons

CDOT program are staff must notify LEP persons that language assistance services are available free of charge. Notice must be provided in languages LEP persons would understand. The statement in **Appendix E** shall be included in all public meeting notices, provided that project staff may change the contact information in the notice if they are providing interpretation services and do not need assistance from the CRBRC. CDOT's accessibility and non-discrimination public notice includes information about obtaining free translation and interpretation services. The notices are available in English and Spanish at https://www.codot.gov/business/civilrights/accessibility/titlevi.

CDOT programs that conduct outreach activities and produce outreach materials (brochures, booklets, pamphlets, flyers, etc.) for statewide and regional audiences must also provide notice to Spanish-speaking LEP populations that language assistance services are available free of charge. CDOT program area or project staff can take the following measures in providing notice to LEP persons:

- Post materials at intake areas and other entry points so LEP individuals can learn how to access language services.
- Make the LEP individual aware that he/she has the option of having an interpreter without charge, or of using his/her own interpreter.
- Attach onto documents, in the most common languages, that language services that are available from CDOT.

- Consider using a telephone voicemail menu in the most common languages encountered. The menu would provide information about available language assistance services and how to receive those services.
- Work with community-based organizations and other stakeholders to inform LEP individuals of CDOT services, including the availability of language assistance services.
- Provide notices in local newspapers in languages other than English.

For outreach activities aimed at a localized audience, CDOT program areas must refer to the four factor analysis to determine whether and in what form notices should be provided. Colorado LEP data by county is provided in **Appendix A**. Notices can also be provided on outreach materials by working with community-based organizations and other stakeholders, and by using media aimed at LEP audiences.

Complaints

LEP persons can submit discrimination complaints directly to the Civil Rights and Business Resource Center. Complaint forms can be found in English and in Spanish at: https://www.codot.gov/business/civilrights

Subrecipient Obligations

Subrecipients are recipients that indirectly receive federal financial assistance through CDOT. Subrecipients include but are not limited to cities, counties, consultants, contractors, suppliers, universities, colleges, planning agencies, and other recipients of Federal-aid highway funds**.**

CDOT does provide information and resources to its subrecipients. Accordingly, subcrecipients should tailor the framework for their language assistance plan using the resources provided on the CRBRC website at https://www.codot.gov/business/civilrights/titlevi/title-vi-subrecipients

CDOT staff is encouraged to consult with the Civil Rights & Business Resource Center (CRBRC) on the development of additional language assistance measures or on how best to respond to specific language assistance requests. The CRBRC may also be able to provide funding and additional resources for language assistance measures.

**Eboni Younger-Riehl, Title VI Specialist**
**CDOT's Civil Rights and Business Resource Center (CRBRC)**
(303)757-9072
eboni.riehl@state.co.us

VOIANCE:
http://interpret.voiance.com/6-ways-to-build-an-effective-language-access-policy-and-implementation-plan/

# APPENDIX A

## Colorado LEP Demographic Data

Colorado has a total population of 4,860,145 people. Colorado has a total Limited English Proficient (LEP) population of 310,065, which is 6.4% of Colorado's overall population. The following table shows the top five languages spoken by LEP persons in Colorado and their percentage of the total Colorado population, according the U.S. Census Bureau.[7]

| Language | Number of LEP Persons | Percent of Colorado Population |
|---|---|---|
| **Spanish** | 226,453 | 4.66% |
| **Vietnamese** | 12,078 | 0.25% |
| **Chinese[8]** | 10,489 | 0.22% |
| **Korean** | 8,475 | 0.18% |
| **African Languages[9]** | 7,932 | 0.17% |

**Demographic data by county and CDOT Transportation Region**

CDOT is geographically structured into five Transportation Regions. The following pages contain LEP demographic data for each CDOT Transportation Region and the counties within in each region using U.S. Census data for people who do not speak English as their primary language and speak English "less than very well."

Census data is also supplemented with data from the Colorado Department of Education.[10] The presence of English Language Learners in schools may indicate the presence of greater LEP populations. In addition to the languages listed in the U.S. Census tables, the following pages also list additional languages found in the school data.

**CDOT Region 1**

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[7] Data tabulated by the Migration Policy Institute, "Limited English Proficient Individuals in the United States: Linguistic Diversity at the County Level (February 2013)." Data was tabulated using the US Census Bureau's 2010-2014 American Community Survey, Table B16001 "Language Spoken at Home by Ability to Speak English for the Population 5 Years and Over." For more information about LEP data, visit http://www.lep.gov/demog_data/demog_data.html.

[8] The US Census Bureau groups the following languages under the "Chinese" language category: Chinese, Hakka, Kan, Hsiang, Cantonese, Mandarin, Fuchow, Formosan, and Wu.

[9] The US Census Bureau's "African language "classification includes Amharic, Afro-Asiatic languages, Nilo-Saharan languages, and Niger-Congo languages. For a full listing of these languages, visit https://www.census.gov/hhes/socdemo/language/about/.

[10] Colorado Department of Education, English Language Learner student count, grades preschool through 12, October 2015. This data is available upon request from CDOT's Civil Rights & Business Resource Center.

CDOT Region 1 is comprised of the five counties listed in the table below. LEP individuals make up 8.8% of Region 1's total population. LEP individuals that speak Spanish represent 6.4% of Region 1's population. Adams, Arapahoe, and Denver counties have the largest Spanish-speaking LEP populations in Region 1. Other prevalent LEP populations in Region 1 include Vietnamese, Russian, and Korean speakers.

Region 1, U.S. Census Data

| County | Total Population | Total LEP Population | Spanish LEP Population | Other Languages[11] |
|---|---|---|---|---|
| **Adams** | 424235 | 52,820 (12.45%) | 44,305 (11.2%) | Vietnamese (2,136 people)<br>Russian (1,000)<br>Chinese (700)<br>African Languages (500) |
| **Arapahoe** | 556,245 | 50,332 (9.05%) | 28,310 (5.09%) | Korean (3,467)<br>African Languages (2,900)<br>Russian (2,181)<br>Vietnamese (2,462)<br>Chinese (1,873)<br>Arabic (1,248)<br>Other Asian[12] (1,456)<br>Other Indic[13] (624)<br>French (813)<br>Tagalog (567) |
| **Broomfield** | 50,287 | 2,601 (4.7%) | 1,388 (2.51%) | - |
| **Clear Creek** | 8,722 | 26 | 18 | - |
| **Denver** | 589,391 | 67,832 (11.51%) | 51,593 (8.75%) | Chinese (1,975)<br>Russian (1,653)<br>Other Indic languages (915)<br>Vietnamese (3,868)<br>Arabic (1,191)<br>African Languages (2,127) |

[5] LEP number estimates are displayed only if 500 persons or more.

[12] The US Census Bureau's "Other Asian languages" classification includes Turkic languages, Dravidian languages, and Tibetan-Burman languages. For a full listing of these languages, visit http://www.census.gov/hhes/socdemo/language/about/02_Primary_list.pdf

[13] For a full listing the US Census Bureau's "Other Indic languages," visithttp://www.census.gov/hhes/socdemo/language/about/02_Primary_list.pdf.

| | | | | |
|---|---|---|---|---|
| | | | | Other Asian (750) |
| **Douglas** | 279,291 | 6,896(2.47%) | 3,198 (1.15%) | Chinese (894)<br>Korean (666) |
| **Gilpin** | 5,295 | 66 (1.25%) | 66 | - |
| **Jefferson** | 516,473 | 16,844(3.26%) | 9,213 (1.78%) | Vietnamese (1,600)<br>Chinese (600)<br>Russian (500)<br>Korean (500) |
| **Region 1** | 2,429,939 | 197,417(8.1%) | 138,091(5.6%) | |

In addition to the languages listed in the table on the previous page, school data indicates the presence of the following language population groups:[14]

**Adams County**: Hmong, Lao.

**Arapahoe County**: Amharic, Japanese, Burmese, Nepali, Hindi, Pa'o Karen, Tigrigna, Tamil and Somali.

**City and County of Denver**: Burmese, West Central Oromo, Pa'o Karen, Amharic, French, Nepali, Somali, Swahili and Tigrigna.

**Douglas County**: Hindi.

[14] The languages listed here were not the only languages identified in the Colorado Department of Education data. These languages and the languages listed in the U.S. Census table were the most prevalent languages identified in the Colorado Department of Education data.

**CDOT Region 2**

CDOT Region 2 is comprised of the 14 counties listed in the table below. LEP individuals make up 4% of Region 2's population. The largest LEP group is Spanish at 3.6%. Most of the Spanish-speaking LEP population in Region 2 is found in El Paso and Pueblo counties.

Region 2, U.S. Census Data

| County | Total Population | Total LEP Population | Spanish LEP Population | Other Languages[15] |
|---|---|---|---|---|
| **Baca** | 3,498 | 89 (2.8%) | 71 | - |
| **Bent** | 5,757 | 425 (7.38%) | 402(6.98%) | - |
| **Crowley** | 5,351 | 472 (8.82%) | 454(8.48%) | - |
| **Custer** | 4143 | 9 (0.22%) | 9 (0.22%) | - |
| **El Paso** | 599,826 | 22932(3.82%) | 14582(2.43%) | Korean (1,742 people)<br>German (659)<br>Tagalog (542)<br>Chinese (931)<br>Vietnamese (930)<br>Arabic (513) |
| **Fremont** | 44,891 | 2,675 (5.96%) | 2,028(4.52%) | - |
| **Huerfano** | 6,367 | 251 (3.94%) | 204 (3.20%) | - |
| **Kiowa** | 1,322 | 7 (0.53%) | 7 (0.53%) | - |
| **Las Animas** | 14,030 | 508(3.62%) | 415 (2.96%) | - |
| **Otero** | 17,530 | 996 (4.5%) | 885 (5.05%) | - |
| **Park** | 15,525 | 164(1.06%) | 139 (0.90%) | - |
| **Prowers** | 11447 | 775 (6.77%) | 688 (6.01%) | - |
| **Pueblo** | 150,658 | 6,632(4.40%) | 5800(3.58%) | - |
| **Teller** | 22,356 | 235 (1.06%) | 111 (0.50%) | - |
| **Region 2** | 902,701 | 36,170 (4.0%) | 25,795(2.8%) | |

In addition to the languages listed in the table above, school data indicates the presence of the following language population groups:[16]

[15] LEP number estimates are displayed only if 500 persons or more.

[16] The languages listed here were not the only languages identified in the Colorado Department of Education data. These languages and the languages listed in the U.S. Census table were the most prevalent languages identified in the Colorado Department of Education data.

**EL Paso County:** Nepali.

**CDOT Region 3**

CDOT Region 3 is comprised of the 15 counties listed in the table below. LEP individuals make up 6.5% of Region 3's total population. LEP individuals that speak Spanish represent 5.7% of Region 3's population. The majority of the Spanish-speaking LEP population in Region 3 is located in Eagle and Garfield counties.

Region 3, U.S. Census Data

| County | Total Population | Total LEP Population | Spanish LEP Population | Other Languages[17] |
|---|---|---|---|---|
| **Delta** | 28,813 | 1,087 (3.8%) | 975 (3.4%) | - |
| **Eagle** | 49,414 | 6,220 (12.6%) | 5,780 (11.7%) | - |
| **Garfield** | 52,410 | 5,094 (9.7%) | 4,943 (9.4%) | - |
| **Grand** | 13,704 | 300 (2.2%) | 174 (1.2%) | - |
| **Gunnison** | 14,752 | 317 (2.1%) | 238 (1.6%) | - |
| **Hinsdale** | 806 | 0 | 0 | - |
| **Jackson** | 1,334 | 9 (0.7%) | 9 (0.7%) | - |
| **Lake** | 6,753 | 716 (10.6%) | 626 (9.2%) | - |
| **Mesa** | 137,942 | 3,797(2.7%) | 3,177 (2.3%) | - |
| **Moffat** | 12,322 | 696 (5.6%) | 635 (5.1%) | - |
| **Montrose[18]** | 38,534 | 1,988 (6.3%) | 1,899(6.0%) | |
| **Pitkin** | 16,503 | 667(4.0%) | 469(2.8%) | - |
| **Rio Blanco** | 6,287 | 221 (3.3%) | 209 (3.3%) | - |
| **Routt** | 22,354 | 592(2.6%) | 307 (1.3%) | - |
| **Summit** | 27,051 | 1,940 (7.2%) | 1828(6.7%) | - |
| **Region 3** | 428979 | 23,644 (5.5%) | 21,269 (4.9%) | |

In addition to the languages listed in the table above, school data indicates the additional presence of the following language population groups:[19]

[17] LEP number estimates are displayed only if 500 persons or more.

[18] Parts of Montrose County are located in CDOT Region 3 and Region 5. However, for this LEP Plan, Montrose County data is analyzed as part of Region 3 because much of the county's population, including the City of Montrose, is located in Region 3.

[19] The languages listed here were not the only languages identified in the Colorado Department of Education data. These languages and the languages listed in the U.S. Census table were the most prevalent languages identified in the Colorado Department of Education data.

**Gunnison County**: El Nayar Cora.

Note**:** CDOT Region 3 includes counties with many tourists and seasonal workers. The data here does not reflect the languages likely to be encountered because of these groups.

**CDOT Region 4**

CDOT Region 4 is comprised of the 13 counties listed in the table below. LEP individuals make up 5.5% of Region 4's total population. LEP individuals that speak Spanish represent 4.5% of Region 4's population. The majority of the Spanish-speaking LEP population in Region 4 is located in Boulder, Larimer, and Weld counties.

Region 4, U.S. Census Data

| County | Total Population | Total LEP Population | Spanish LEP Population | Other Languages[20] |
|---|---|---|---|---|
| **Boulder** | 289,106 | 16,085 (6.2%) | 12,800 (4.6%) | Chinese (1,194 people)<br>Korean (536) |
| **Cheyenne** | 1,988 | 77 (4.8%) | 75 | - |
| **Elbert** | 21,517 | 301(1.34%) | 185 (0.82) | - |
| **Kit Carson** | 7,592 | 480 (6.32%) | 465 (6.12%) | - |
| **Larimer** | 294,054 | 6,534(2.22%) | 4,324 (1.47%) | - |
| **Lincoln** | 5,193 | 354 (6.82%) | 329 (6.34%) | - |
| **Logan** | 21,476 | 938 (4.37%) | 890 (4.14%) | - |
| **Morgan** | 26,222 | 3,416 (13.03%) | 3,042 (11.60%) | - |
| **Phillips** | 4,084 | 524 (12.86%) | 518 (12.68%) | - |
| **Sedgwick** | 2,244 | 63 (2.81%) | 59 (2.63%) | - |
| **Washington** | 4,531 | 109 (2.41%) | 109 (2.41%) | - |
| **Weld** | 245,113 | 17,368 (7.09%) | 15,607(6.37%) | |
| **Yuma** | 9,303 | 744 (8.0%) | 738 (7.93%) | |
| **Region 4** | 932,423 | 46,993 (5.0%) | 39,141(4.2%) | |

In addition to the languages listed in the table above, school data indicates the presence of the following language population groups:[21]

**Weld County:** Burmese, Karen Pa'o, Somali.

[20] LEP number estimates are displayed only if 500 persons or more.

[21] The languages listed here were not the only languages identified in the Colorado Department of Education data. These languages and the languages listed in the U.S. Census table were the most prevalent languages identified in the Colorado Department of Education data.

**CDOT Region 5**

CDOT Region 5 is comprised of the 14 counties[22] listed in the table below. LEP individuals make up 3.3% of Region 5's total population. LEP individuals that speak Spanish represent 2.3% of Region 5's population.

Region 5, U.S. Census Data

| County | Total Population | Total LEP Population | Spanish LEP Population | Other Languages[23] |
|---|---|---|---|---|
| **Alamosa** | 14,937 | 1,051 (7.04%) | 957 (6.41%) | - |
| **Archuleta** | 11,516 | 276 (0.9%) | 176 (1.53%) | - |
| **Chaffee** | 17,374 | 562 (1.8%) | 559 (3.2%) | - |
| **Conejos** | 7,600 | 604 (7.9%) | 575 (7.5%) | - |
| **Costilla** | 3,416 | 408 (11.94%) | 395 (11.56%) | - |
| **Dolores** | 1,671 | 2 (0.12%) | 0 | - |
| **La Plata** | 49,689 | 731 (1.47%) | 524 (1.05%) | - |
| **Mineral** | 695 | 5 (0.72%) | 5 (0.72%) | - |
| **Montezuma** | 23,997 | 470 (2.1%) | 265 (1.10%) | - |
| **Ouray** | 4,418 | 54 (1.22%) | 44 (1.0%) | - |
| **Rio Grande** | 11,079 | 751 (7.2%) | 715 (6.3%) | - |
| **Saguache** | 5,806 | 655 (11.28%) | 637 (10.97%) | - |
| **San Juan** | 623 | 12 (1.93%) | 12 (1.93%) | - |
| **San Miguel** | 7,194 | 259 (3.6%) | 248 (3.45%) | - |
| **Region 5** | 160,015 | 5,840 (3.6%) | 5,112 (3.2%) | |

In addition to the languages listed in the table above, school data indicates the presence of the following language population groups:[24]

**Alamosa:** Eastern Q'anjob'al.

**Montezuma**: Navajo.

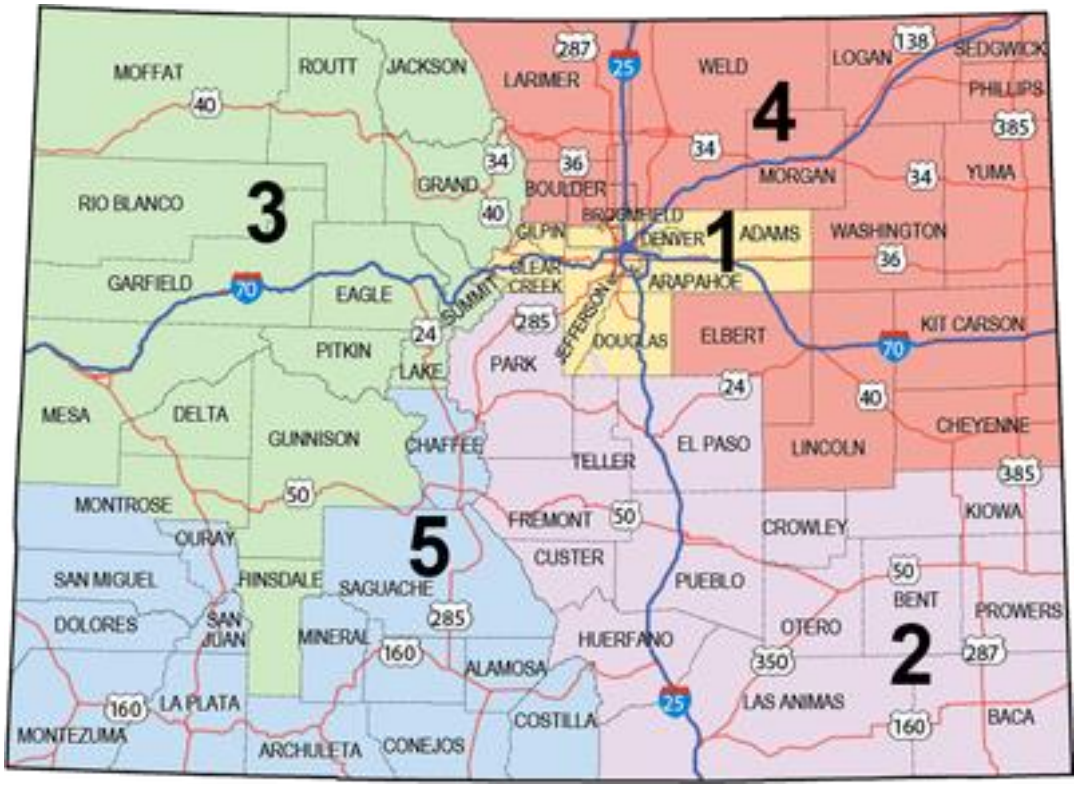
[22] A part of Montrose County is also located in CDOT Region 5. However, for this LEP Plan, Montrose County data is analyzed as part of Region 3 because much of the county's population, including the City of Montrose, is located in Region 3.

[23] LEP number estimates are displayed only if 500 persons or more.

[24] The languages listed here were not the only languages identified in the Colorado Department of Education data. These languages and the languages listed in the U.S. Census table were the most prevalent languages identified in the Colorado Department of Education data.

# APPENDIX B

## Map of CDOT Regions



# APPENDIX C

## Sample LEP Tracking Sheet

### LEP Annual Report

Region: _____ Contact Person: _____

Telephone: _____ Report Year: _____

**LEP Encounters**

Total Number of LEP encounters: _____

Language most frequently requested *(Select one by placing an X in the box)*:

☐ Spanish ☐ Other (specify)_____

LEP service most frequently used *(Select one by placing an X in the box)*:

☐ Oral Interpretation (in person) ☐ Written Translation ☐ Telephone Interpretation

Most frequent LEP services rendered *(Select one by placing an X in the box)*:

☐ Employee ☐ Contractor ☐ Community Volunteer ☐ LEP Person's Family/Friend

☐ Other method (specify):_____

**LEP Expenditures**

Total Expenses: $_____

Spanish: $_____

Other language (specify)_____: $_____

Oral Interpretation (in person): $_____ Written translation: $_____

Telephone Interpretation: _____

**Translation of Documents**

Total number of documents stated upon request: _____

Total number of vital documents translated: _____

Types of documents Translated:

☐ Application ☐ Brochure ☐ Notice ☐ Other document (specify)_____

**LEP Complaints**

Total number of complaints: _____ Number of complaints resolved: _____

**Complaint Information**

Date filed: _____ Date resolved: _____

Description:_____

# APPENDIX D

## CTS LanguageLink Interpretation language list

# INTERPRETATION LANGUAGE LIST

CTS LanguageLink provides spoken Interpretation Services in 240+ languages and/or dialects. If you do not see your target language listed here, please contact a CTS LanguageLink representative for more information at +1 800-208-2620.

**A**
- Acholi
- Afrikaans
- Akan
- Albanian
- American Sign Language
- Amharic
- Arabic
- Armenian
- Ashanti
- Assyrian
- Azerbaijani

**B**
- Bambara
- Basque
- Bassa
- Behdini
- Belarusian
- Bengali
- Bosnian
- Bulgarian
- Burmese

**C**
- Cantonese
- Cape Verde
- Catalan
- Cebuano
- Chabacano
- Chaldean
- Cham
- Chamorro
- Chau-jo
- Cherokee
- Chinese
- Choujo
- Chuukese
- Creole
- Croatian
- Czech

**D**
- Danish
- Dari (Persian)
- Dimli
- Dinka
- Duala
- Dutch
- Edo

**E**
- Efik
- Estonian
- Ethiopian
- Ewe

**F**
- Farsi (Persian)
- Fijian
- Filipino
- Finnish
- Flemish
- French
- French Canadian
- French Creole
- Frisian (West)
- Fujianese
- Fukinese
- Fula
- Fulani
- Fuzhou

**G**
- Ga
- Gaelic
- Ganda
- Garre
- Georgian
- German
- Gilaki
- Grebo
- Greek
- Greenlandic
- Gujarati

**H**
- Haitian Creole
- Haka Burmese
- Hakka
- Harari
- Hausa
- Hebrew
- Hindi
- Hmong
- Ho
- Hunanese
- Hungarian

**I**
- Iban
- Ibang
- Icelandic
- Igbo (Ibo)
- Ilocano
- Indonesian
- Italian

**J**
- Jaaxanke
- Jakartanese
- Japanese
- Javanese

**K**
- Kakwa
- Kanjobal
- Kankanay
- Kannada
- Karen
- Kashmiri
- Kayah
- Kazakh
- Khmer (Cambodian)
- Kikamba
- Kikuyu
- Kinyarwanda
- Kirghiz
- Kirundi
- Korean
- Kosrae
- Kpelle
- Krahn
- Kurdish

**L**
- Lakota
- Laotian
- Latin
- Latvian
- Lebanese
- Liberian
- Lingala

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# INTERPRETATION LANGUAGE LIST

CTS LanguageLink provides spoken Interpretation Services in 240+ languages and/or dialects. If you do not see your target language listed here, please contact a CTS LanguageLink representative for more information at +1 800-208-2620.

| | |
|---|---|
| | Lithuanian |
| | Luganda |
| | Luo (Dhuluo) |
| M | Maay |
| | Macedonian |
| | Malagasy |
| | Malay |
| | Malayalam |
| | Malaysian |
| | Maltese |
| | Mam |
| | Mandarin |
| | Mandingo |
| | Mandinka |
| | Mankon |
| | Marathi |
| | Marshallese |
| | Maylay |
| | Meru |
| | Mien |
| | Mina |
| | Mixteco |
| | Mixteco Alto |
| | Mixteco Bajo |
| | Moldovan |
| | Mongolian |
| | Moroccan Arabic |
| | Myanmar |
| N | Nahuati |
| | Navajo |
| | Nepali |
| | Newari |
| | Nigerian |
| | Norwegian |
| | Nuer |
| O | Ojibay |
| | Oromifa |
| | Oromo |
| P | Pahari |
| | Palauan |
| | Pampangan |

| | |
|---|---|
| | Papiamento |
| | Pashto |
| | Polish |
| | Ponapean |
| | Portuguese |
| | Portuguese Brazilian |
| | Portuguese Creole - Cape Verdean Creole |
| | Potwari |
| | Pulaar |
| | Punjabi |
| Q | Quechua |
| | Quiche |
| R | Rhade |
| | Romanian |
| | Rundi |
| | Russian |
| S | Samoan |
| | Sara |
| | Serbian |
| | Serbo Croatian |
| | Shanghainese |
| | Shona |
| | Sichuan |
| | Sicilian |
| | Sindhi |
| | Sinhala |
| | Sinhalese |
| | Slovak |
| | Slovenian |
| | Somali |
| | Soninke |
| | Sorani |
| | Sotho |
| | Spanish (European) |
| | Spanish (Latin America) |
| | Spanish (Mexican) |
| | Sudanese |
| | Swahili |
| | Swedish |
| | Syrian |

| | |
|---|---|
| T | Tagalog |
| | Tahitian |
| | Taiwanese |
| | Tajiki |
| | Tamal |
| | Tamang |
| | Tamil |
| | Tarasco |
| | Tatar |
| | Telugu |
| | Teochew |
| | Thai |
| | Thai Dam |
| | Tibetan |
| | Tigrigna – Tigrinya |
| | Toishanese |
| | Tokelau |
| | Tongan |
| | Trukese (Chuukese) |
| | Tshiluba |
| | Tsonga |
| | Tswana |
| | Turkish |
| | Turkmen |
| | Twi |
| U | Ukrainian |
| | Urdu |
| | Uzbek |
| V | Vangali |
| | Vietnamese |
| | Visayan (Cebuano) |
| W | Welsh |
| | Wolof |
| | Wu |
| Y | Yi |
| | Yiddish |
| | Yoruba |
| Z | Zapoteco |
| | Zulu |

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# APPENDIX E

## Statement to Include in Public Meeting Notices

The following statement shall be included in all public meeting notices, provided that project staff may change the contact information in the notice if they are providing interpretation services and do not need assistance from the CRBRC.

> ***Interpretation & Translation Services:*** *CDOT provides reasonable language assistance free of charge upon request. Contact the Civil Rights & Business Resource Center at (800) 925-3427 to make translation or interpretation requests related to any CDOT public meeting or service.*
>
> ***Servicios de interpretación y traducción:*** *El CDOT proporciona ayuda razonable en otros idiomas a pedido. Comuníquese con el Centro de Recursos de Negocios y Derechos Civiles (Civil Rights & Business Resource Center, CRBRC) en el (800) 925-3427 para solicitar traducciones o interpretaciones en relación con cualquier reunión pública o servicio del CDOT.*

If the contact person listed in the public meeting notice receives a request for translation or interpretation services, the contact person shall consult with the Title VI specialist in the CRBRC.