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| **PROGRAM AND GRANT PROCESSES MANUAL** | *This manual establishes consistent traffic safety program and grant processes to be used by Washington Traffic Safety Commission staff to guide administration of Washington’s traffic safety program.*March 2018 |

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# ***Chapter 1 - Overview/Purpose of the PGPM***

The purpose of this Program and Grant Processes Manual (PGPM) is to establish a guide for the administration of the program and grant-related processes and activities conducted at the Washington Traffic Safety Commission (WTSC). This document outlines traffic safety program and grant management processes that WTSC staff and grantees (government agencies, law enforcement departments, non-profit organizations, and others) are expected to follow. This manual does not specifically address all regulations that must be followed. References to other federal and state regulations, policies, procedures, rules, laws, and guidance are necessary. Also, periodic changes and additions to this manual will be necessary in order to meet changing federal and state regulations or to improve program management and fiscal procedures. Any written WTSC policy that conflicts with this PGPM has priority and takes precedence over this manual.

# ***Chapter 2 - Definitions***

|  |  |
| --- | --- |
|  |  |
| amendment | A formal change to an award, agreement, and/or contract based on a need when a specific term or condition of the original grant agreement changes. For example, amendments are required when major program activities, budget, or project scope changes; when a project period changes; when a key Project Manager is replaced; or for a total funding increase or decrease. |
| Budget category | A broad grouping of budgetary expenses such as personnel costs, travel, equipment, goods and services, etc. |
| buy america act | This federal law prohibits WTSC from using traffic safety grant funds to purchase products that are not produced in the United States. This prohibition applies to steel, iron, and all manufactured products, unless the Secretary of Transportation has determined that it is appropriate to waive the Buy America Act requirement.  |
| cfda | Catalog of Federal Domestic Assistance. The CFDA provides a listing of all federal programs available to state and local governments; federally-recognized Indian tribal governments; United States territories and possessions; domestic public, quasi-public, and private profit and non-profit organizations and institutions; specialized groups; and individuals. |
| CFR | Code of Federal Regulations. A listing of general and permanent rules and regulations published in the Federal Register by the Executive Branch of the federal government and federal agencies.  |
| claim | Expenditures incurred in support of approved grant activities for which a grantee may submit for reimbursement. |
| CONTRACT | The legal document signed by two or more parties binding each to specific terms and conditions. Contracts may include Interagency Agreements, Intra-Agency Agreements, Memorandums of Understanding, Vendor Contracts, or other types. |
| CPS | Child Passenger Safety. Program or activities that address the safety of children riding in motor vehicles. |
| duns | Data Universal Numbering System. DUNS is a specific number offered by Dun & Bradstreet to identify different divisions of companies to provide easy reference for various business transactions or activities, including seeking grant funding from the WTSC. |
| DuI | Driving Under the Influence. Usually indicates behavior such as driving or controlling a vehicle while influenced by alcohol and/or drugs. |
| ems | Emergency Medical Services. |
| EQUIPMENT | All capitalized and non-capitalized personal property with a useful life of more than one year. Capitalized equipment exceeds an original cost of $5,000, while non-capitalized equipment has an original cost less than $5,000. |
| FFY (or FY) | Federal fiscal year or fiscal year. The federal fiscal year runs from October 1 to September 30. |
| FFATA | Federal Funding Accountability and Transparency Act. |
| fhwa | Federal Highway Administration. A branch of the U.S. Department of Transportation. |
| final progress report | A report submitted by the grantee following completion of the grant period which details the effectiveness of the traffic safety project based on the project’s goals and objectives. |
| grantee | Local governments, law enforcement departments, non-profit organizations, or others who receive traffic safety grant funds from the WTSC. |
| Grant Agreement | A legal document signed by two or more parties binding each to specific terms. Agreements may include Interagency Agreements, Intra-Agency Agreements, Memorandums of Understanding, Vendor Contracts, or other types. |
| GRANT FILE | The file, either paper-based or electronic (see WEMS), where all grant-related documentation is found. |
| grant orientation workshop/MEETING | Training often provided to new subrecipients to explain the grant management process and answer questions. |
| GRAF | Grant Requirements Acknowledgement Form. The GRAF documents the grantee’s understanding and acknowledgement of all mandatory grant requirements. |
| GRANTEE | See “SUBRECIPIENT.” |
| grantor | The state agency that awards federal traffic safety grant funds.  |
| hsp | Highway Safety Plan. The HSP is submitted annually by the WTSC to request federal transportation grant funds for a federal fiscal year. The HSP describes grant proposals and program implementation. Once approved by federal authorities, it provides the basis for the execution of federal grant agreements. |
| hve | High Visibility Enforcement. This is a grant activity funded by an award to a law enforcement agency to target a specific traffic safety issue such as speeding, occupant protection, or impaired driving. HVE is always coupled with a publicity/education strategy designed to educate the public and promote voluntary compliance with the law. |
| IDCR | Indirect Cost Rate. Indirect costs are the expenses of doing business that are not identified with a particular grant or contract, but are necessary for the operation of a subrecipient’s organization to perform a traffic safety project. The IDCR is determined through negotiation utilizing an established accounting process, or may be set at 10 percent if a negotiated rate is not established. |
| IAA | Interagency Agreement. A type of contract executed between two or more governmental or quasi-governmental organizations. |
| lel | Law Enforcement Liaison. An experienced individual who provides law enforcement expertise to the WTSC and subrecipients. The LEL also conducts networking activities for local, county, and state law enforcement officials, the WTSC, and the NHTSA Regional Office, as needed. |
| nhtsa | National Highway Traffic Safety Administration. This is the federal agency responsible for administering the national highway traffic safety grant program funded by federal legislation. |
| op | Occupant Protection. A program that addresses seat belt and child safety car seat issues. |
| program (OR PROJECT) grant | Funding awarded by WTSC to a grantee to address a specific behavioral traffic safety issue. Funding may come from state or federal funds, a combination of both, or other sources. |
| Program Manager | The WTSC staff member responsible for the administration of traffic safety grants and statewide traffic safety programs. The Program Manager develops, implements, and administers traffic safety projects within assigned traffic safety programs, and establishes, monitors, and evaluates project agreements. |
| Project Manager | An individual within the grantee’s agency or organization who is responsible for establishing and maintaining procedures within their agency to ensure effective administration of a WTSC-approved grant. The Project Manager frequently interfaces with the WTSC Program Manager. |
| psa | Public Service Announcement. A PSA is a public interest message disseminated by the media to raise awareness and change public attitudes and behavior toward a social issue. |
| Progress (OR QUARTERLY) report | Report describing tasks or activities the grantee has undertaken to accomplish grant objectives and progress made in addressing the problem statement during a specific period of activity, usually quarterly. |
| Statutory authority | A statute is a formal written enactment of legislative authority that governs a state, county, or city. Statutory authority empowers government to create agencies to plan and administer programs. For example, the WTSC is given statutory authority to create and administer a traffic safety program in Washington State. |
| SUBRECIPIENT  | A local governmental agency, law enforcement department, non-profit organization, or others who receive a traffic safety grant from WTSC. Often called a “grantee.”  |
| support documentation | Documentation that supports claims/reimbursements, such as reports, invoices, timesheets, logs, photographs, etc. |
| sfst | Standardized Field Sobriety Test. The SFST is composed of specific proven field sobriety tests which law enforcement officers use to detect impaired drivers. |
| TAC | Technical Advisory Committee. The TAC is comprised of various individuals appointed by the WTSC Commissioners or selected by WTSC to provide WTSC staff with technical advice in the selection of and planning for specific traffic safety projects. |
| TZM | Target Zero Manager. |
| WASPC  | Washington Association of Sheriffs and Police Chiefs. |
| WEMS | WTSC Enterprise Management System. WEMS is the electronic system the WTSC uses to solicit proposals, develop grants, document grant activities, and manage the various grant funding and reimbursement processes the agency uses. |
| WTSC | Washington Traffic Safety Commission. Washington’s lead traffic safety organization tasked with addressing, managing, and implementing Washington’s behavioral traffic safety program. |

# ***Chapter 3 - General Requirements***

## **Section 3.1 - WTSC Mission, Vision, and Strategic Plan**

The WTSC has created a [Strategic Plan](http://wtsc.wa.gov/wp-content/uploads/dlm_uploads/2015/01/DRAFT_Strategic_Plan_1-2015.pdf) that describes the mission to *“Lead statewide efforts and build partnerships to save lives and prevent injuries on our roadways for the health, safety, and benefit of our communities.”* The WTSC has a vision of *“Zero deaths and serious injuries because every life counts.”*

The WTSC Core Values are detailed as:

* Servant Leadership
* Collaboration
* Innovation
* Integrity
* Learning

The primary Target Zero goal is to reduce traffic fatalities and serious injuries to zero by 2030.

## **Section 3.2 - Conduct and Expectations**

WTSC staff are expected to read and understand all policies and procedures associated with their position, including all agency policies; state policies, rules, and laws; the *WTSC Grants Management Manual*; and this *Program and Grant Processes Manual*. As part of their duties, WTSC employees are expected to:

* Comply with the laws of the United States and the state of Washington, and observe the rights expressed in both the United States and Washington Constitutions.
* Comply with all regulations, policies, and procedures governing the conduct of public employees.
* Comply with all applicable federal regulations and guidelines governing the selection, execution, administration, and monitoring of federal grant projects and activities.
* Comply with all applicable [NHTSA](http://www.nhtsa.gov/) regulations and guidelines governing the selection, execution, administration, and monitoring of federal grant projects and activities.
* Consider all applicable [Governors Highway Safety Association (GHSA)](http://www.ghsa.org/index.html) guidelines governing the selection, execution, administration, and monitoring of federal grant projects and activities.
* Use public resources in a responsible, ethical, moral, legal, and cost-effective manner.
* Recognize and comply with laws governing the public's right to an accounting of activities, practices, and records.
* Maintain a passion for customer service and traffic safety by recognizing the citizens of Washington State are travelers, employers, and customers.

## **Section 3.3 - Federal Laws and Regulations**

The U. S. Congress authorizes traffic safety funds to be appropriated to NHTSA, who then apportions and distributes these funds to the states. The states spend these funds through the annual state [Highway Safety Plan](http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=c83a1f53737cf491e3c1d8cde082df92&mc=true&n=pt23.1.1300&r=PART&ty=HTML#se23.1.1300_110) (HSP) which is approved by NHTSA. Federal regulations play a significant role in governing the daily administration of traffic safety grants and administrators of traffic safety grants must be familiar with these regulations. Thorough knowledge of these regulations will reduce a majority of grant questions before they become problems. The WTSC must also agree to the required [Certifications and Assurances](http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=c83a1f53737cf491e3c1d8cde082df92&mc=true&n=pt23.1.1300&r=PART&ty=HTML#se23.1.1300_110). These may change occasionally due to federal law changes, so WTSC employees will ensure they are aware of the most current federal certifications and assurances.

[2 CFR Part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards”](http://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1&rgn=div5) establishes consistency and uniformity among Federal agencies in the implementation and management of grants and cooperative agreements with state, local, and federally recognized Indian tribal governments.

## **Section 3.4 - State Laws and Regulations**

The laws and regulations of Washington govern the state’s traffic safety program. [RCW 43.59.010](http://app.leg.wa.gov/RCW/default.aspx?cite=43.59.010) states, in part, that the functions and purpose of the WTSC shall be to:

* Find solutions to the problems that have been created as a result of the tremendous increase of motor vehicles on our highways and the attendant traffic death and accident tolls.
* Plan and supervise programs for the prevention of accidents on streets and highways including, but not limited to, educational campaigns designed to reduce traffic accidents in cooperation with all official and unofficial organizations interested in traffic safety.
* Coordinate the activities at the state and local level in the development of statewide and local traffic safety programs.
* Promote a uniform enforcement of traffic safety laws and establish standards for investigation and reporting of traffic accidents.
* Promote and improve driver education.
* Authorize the Governor to perform all functions required to be performed by him or her under the federal Highway Safety Act of 1966.

## **Section 3.5 - Delegation of Authority**

A Delegation of Authority must be established by the WTSC to name individuals (names and/or positions) who can act on behalf of the WTSC Director during his/her absence. This authority should be updated annually or when WTSC personnel changes require a revision. For WTSC, this signature authority is documented in an agency policy.

## **Section 3.6 - Additional Policies and Procedures**

The WTSC has certain policies and procedures to reasonably ensure that:

* Programs achieve their intended results
* Resources are purchased and used to support the agency mission
* Programs and resources are protected from waste, fraud, and mismanagement
* Laws and regulations are followed
* Reliable and timely information is obtained, maintained, reported, and used for decision-making

Most of the referenced federal regulations and other cited procedural documents are available at the website [NHTSA Highway Safety Grants Management Resources](https://www.nhtsa.gov/highway-safety-grants-program/resources-guide).

# ***Chapter 4 - HSP Planning Guidance***

## **Section 4.1 - Highway Safety Plan - Overview**

The annual HSP documents Washington State’s traffic safety program and is WTSC’s expenditure plan for the coming year. The HSP must be data-driven and developed in a collaborative process with federal, state, and local public safety, health, and transportation agencies, along with appropriate non-profit organizations. The HSP illustrates important trends, identifies problems, and ultimately focuses on the areas of greatest concern. It outlines a list of significant projects the WTSC will fund during the coming year, along with critical measures of performance to help gauge success of the strategies and our investments. The projects proposed in the HSP are reviewed and vetted by WTSC staff and advisors, and then presented to the WTSC Commissioners for approval. The HSP is then fully developed and submitted to NHTSA for final approval.

The HSP is developed by the WTSC Programs and Services Division (PASD) and the Research and Data Division (RADD), in cooperation and collaboration with the WTSC Legislative and Media Relations (LMR) section, and is submitted to NHTSA by the WTSC Finance Director through the Grants Management Solution Suite (GMSS), which ensures that all required components of the annual HSP are included.

## **Section 4.2 - HSP Planning Process Calendar**

|  |  |
| --- | --- |
| Month | Activity |
| November | * WTSC staff begin to develop internal grant recommendations.
* WTSC announces upcoming grant application solicitation process.
* Online grant solicitation cycle opens.
 |
| January | * Grant solicitation cycle closes.
* WTSC staff begin reviewing and scoring project proposals, including conducting a Risk Assessment of each proposal.
* WTSC sends meeting invitations to the TAC.
 |
| February | * WTSC staff continue review of project proposals, including formal scoring.
 |
| March | * WTSC staff meet and develop an initial recommended grant portfolio.
* WTSC staff clarify all questions, review funding sources, and develop a final recommended grant portfolio.
* TAC reviews recommended portfolio and makes recommendations on changes, additions, deletions, or improvements.
 |
| April | * Final recommended portfolio is presented to and voted on by WTSC Commissioners.
* WTSC makes an initial notification to grantees of award/non-award.
* WTSC staff review grant proposal details with grantees, start developing grant budgets, negotiating contracts with grantees, and drafting the HSP.
 |
| May | * WTSC staff complete a detailed draft of the HSP.
* WTSC submits a detailed draft HSP to NHTSA for informal review (if time permits).
 |
| June | * WTSC staff conduct internal review of the final draft HSP for compliance with federal requirements, completeness, and accuracy.
* WTSC submits HSP to NHTSA by June 30.
 |
| July | * WTSC staff conduct pre-grant conferences, and continue finalizing grant agreements and other required documentation.
 |
| August | * WTSC receives NHTSA HSP approval letter.
* WTSC staff continue finalizing grant agreements.
 |
| September | * WTSC staff finalize all grant agreements.
* WTSC Director and Deputy Director review and approve grant agreements.
 |
| October | * WTSC staff implement the HSP.
 |

**Note:** The above timeline and deadlines, excluding submission due date for the HSP, are subject to change by the WTSC Director.

## **Section 4.3 - Coordination with the HSP, SHSP, and HSIP**

**Strategic Highway Safety Plan:**

One requirement of the HSP is that it must be coordinated with the state’s SHSP. In Washington State, the SHSP is called the Target Zero® plan. This plan is developed through a collaboration of traffic safety professionals and stakeholders from many different organizations and disciplines:

* Engineers from Washington Department of Transportation (WSDOT) and local public works agencies
* Training and licensing experts from the Department of Licensing (DOL)
* Tribal and city police, county sheriffs’ departments, and the Washington State Patrol (WSP)
* Health experts, medical professionals, and EMS personnel
* Traffic safety subject matter experts from the WTSC
* Data specialists from the WTSC and other state agencies
* The Washington Governor’s Office
* Other traffic safety specialists and interested parties

The following are key elements of the SHSP:

* It establishes statewide traffic safety priorities which are based on the most recent crash data trends, including fatality and serious injury data.
* The SHSP recommends proven traffic safety strategies, which are activities and projects that reduce traffic deaths and serious injuries.
* The SHSP helps the WTSC and other traffic safety agencies target those areas where investments will provide the greatest return.
* It is designed to be implemented through “4 E” partnerships:
	+ Engineering
	+ Enforcement
	+ Education
	+ EMS

Specific requirements for the SHSP and the requirement to update it regularly can be found in 23 CFR 924.9(a)(3)(i), and on the FHWA website at <https://safety.fhwa.dot.gov/legislationandpolicy/fast/shsp_qa.cfm>. These requirements include:

* The SHSP is required to be completed by the WSDOT in consultation with key stakeholders.
* The SHSP must be data-driven, and include measures and goals.
* It must provide strategic direction for and be coordinated with other highway safety programs, such as the Highway Safety Improvement Plan (HSIP) and the HSP.
* It must be updated no later than five years from the date of the previous approved version.

NOTE: WSDOT and WTSC have chosen to update the Washington SHSP every three years, due to rapidly-increasing changes in technology, data, the traffic environment, vehicles, laws, and innovations affecting traffic safety.

**Highway Safety Improvement Program:**

The Highway Safety Improvement Program (HSIP) is a federal program with the purpose to achieve a significant reduction in traffic fatalities and serious injuries on all public roads. The HSIP requires a data-driven, strategic approach to improving highway safety with a focus on performance. The HSIP consists of three main components:

* SHSP
* State HSIP or program of highway safety improvement projects
* Railway-Highway Crossing Program (RHCP)

In addition, some states also have a High Risk Rural Roads (HRRR) program if they had increasing fatality rates on rural roads.

## **Section 4.4 - Problem Identification and Data Analysis**

Valid reliable data is key to a successful problem identification process. The SHSP/HSP problem identification and data analysis process is used to:

* Understand who is crashing, where they are crashing, and why
* Gather and analyze statistical and trending crash data to determine focus areas and priorities
* Develop and implement effective countermeasures to reduce or eliminate crashes
* Design evaluation tools to measure changes in problem severity in order to perform evaluations

Once the data is assembled, a detailed analysis by WTSC RADD takes place to determine the most effective focus areas.

Data sources may include:

* Non-fatal crash statistics from WSDOT and WSP
* The Fatality Analysis Reporting System (FARS)
* Citation and case filings data from courts
* Exposure data including population, Vehicle Miles Traveled (VMT), and other population-based data
* Vehicle registration and licensed driver information
* Census and demographic data

Factors that may impede effective problem identification include:

* Restrictions to data access and use
* Lack of automated data linkage
* Poor data quality
* Reporting threshold differences, such as variations among jurisdictions in the amount of minimum damage or crash severity they report
* Insufficient data (property damage/non-reportable crashes, near misses, bicycle crashes, etc.)

## **Section 4.5 - Performance Targets, Measures, and Priority Areas**

The HSP and SHSP lists the data-driven targets and performance measures the WTSC plans to use to evaluate its programs. The WTSC has specific measures which are established under the Governors Highway Safety Association (GHSA) and NHTSA guidance and federal guidelines. WTSC RADD works collaboratively with PASD to ensure appropriate performance measures are selected and tracked for programs and projects. Selected targets should, whenever possible, represent an improvement from the current status rather than simple maintenance of the current target. The WTSC develops clear and concise performance target statements based on the core performance measures jointly created by GHSA and NHTSA. Responsibility for development and review of the annual targets, measures, and strategies is assigned to the WTSC RADD and implemented through programs developed by the WTSC PASD.

In general, traffic safety performance targets should be:

* Quantifiable
* Measureable
* Data-driven
* Consistent with the Uniform Guidelines for Highway Safety Programs
* Based on identified traffic safety problems

**Performance Measures:**

Performance measures use absolute numbers, percentages, or rates, and are reviewed and updated each year or as needed. The purpose of measuring performance is to determine what extent programs are working so adjustments to strategies can be made, when necessary. Each target is accompanied by at least one performance measure used to track progress from an established baseline. The most recent state and FARS crash data are used by WTSC. Traffic safety performance measures must include the core performance measures that are jointly developed by NHTSA and GHSA. The most recent core measures can be found on the GHSA website at <https://www.ghsa.org/resources/performance-measures>.

The WTSC may develop additional performance targets and measures for program areas outside of the required core performance measures. An example would be development of targets and measures for a Distracted Driving program.

**SHSP Priority Areas:**

The traffic safety focus areas and priorities established through the problem identification and data analysis process are presented in the Target Zero SHSP as “Priority Areas,” which can be found at <http://www.targetzero.com>. See the *WTSC Grants Management Manual,* Section 5.2, for more information.

## **Section 4.6 - Evidence-Based Countermeasures and Strategies**

The WTSC is required to provide a description of the process used and the participants consulted to develop and select evidence-based countermeasures and traffic safety strategies that achieve performance targets in each program area.

 The latest edition of *NHTSA’s Countermeasures That Work: A Highway Safety Countermeasure Guide for State Highway Safety Offices* (found in the *NHTSA Resources Guide* at <https://www.nhtsa.gov/highway-safety-grants-program/resources-guide>) is used extensively to guide the WTSC’s selection of effective evidence-based countermeasures. In addition, the American Association of State Highway and Transportation Officials (*AASHTO) Strategic Highway Safety Plan* and *Highway Safety* Manual, plus the associated National Cooperative Highway Research Program (*NCHRP) Guidebooks,* are also used to identify evidence-based countermeasures and strategies. The guidebooks contain the recent scientific research and knowledge regarding countermeasures’ effectiveness. The web site <https://www.transportation.org> contains these and other tools developed for the implementation of the plan.

## **Section 4.7 - Other Performance Measures**

In conjunction with the Behavioral Risk Factor Surveillance System (BRFSS), administered by the Department of Health (DOH), the WTSC applies each year to include a traffic safety module in the survey. The questions may rotate each year depending on survey space and overall timing. Analysis of the traffic safety question module is included in the WTSC’s Annual Report.

Model Performance Measures for State Traffic Records Systems is a collection of 61 voluntary model measures to help the WTSC monitor and improve the quality of data in the core traffic records systems and include:

* Crash
* Driver
* Vehicle
* Roadway
* Citation/Adjudication
* Emergency Medical Services
* Injury Surveillance

This effort provides basic definitions for the six critical performance attributes of:

* Timeliness
* Accuracy
* Completeness
* Uniformity
* Integration
* Accessibility

The measures are intended for use by federal, state, and local governments to monitor the development and implementation of traffic record data systems, strategic plans, and data improvement grant processes. They have been grouped by performance attributes across the core state traffic record systems. These common performance measures as well as guidance on their application are expected to help stakeholders quantify systemic improvements to state traffic records systems. The model performance measures are intended to help monitor and improve the quality of the data in traffic record systems. Washington uses several of these measures to develop and track performance targets in the Traffic Records Strategic Plan.

# ***Chapter 5 - Grant Funding Guidance***

## **Section 5.1 - General Funding Guidance**

**Overview:**

The U.S. Congress authorizes traffic safety funds to be appropriated to NHTSA who then apportions and distributes these funds to the WTSC for implementation of the approved HSP. When developing the HSP, new revenue estimates for each funding source are obtained from the NHTSA Regional Office by the WTSC. This information, along with estimated prior year unexpended funds, is used to develop the estimated total traffic safety funding for the upcoming federal fiscal year.

The WTSC is 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 development processes to assure the greatest potential impact on Washington’s overall goal of eliminating traffic safety related crashes, deaths, and serious injuries.

**Changes and Updates to Program Projects and Costs:**

As the federal fiscal year progresses, the WTSC may amend the HSP, if needed. The WTSC must document changes to the HSP electronically, including project and budget information. Amendments to the HSP (both project and budget) are subject to approval by the NHTSA Regional Administrator, and approval must be given before requesting reimbursement related to the changes. Any special purpose funds shall be used only in that special purpose program and cannot be transferred.

**Planning and Administrative Costs:**

P&A costs are those direct and indirect costs that are attributable to the management of the WTSC, and include items such as salaries, related personnel benefits, travel expenses, and rental costs specific to the WTSC. The tasks and related costs for P&A are required to be included in a P&A program area within the HSP. Federal contribution for P&A activities has specific caps and limitations. NHTSA funds shall be used only to finance P&A activities attributable to NHTSA programs. The WTSC Finance Director maintains specific guidance regarding P&A expenses.

## **Section 5.2 - Grant-Funded Traffic Safety Programs**

The State Community and Highway Safety Grant Program, commonly referred to as “Section 402,” is detailed in the *WTSC Grants Management Manual*, Section 4.2.

In addition to the Section 402 program, NHTSA provides grant funding for a National Priority Safety Program, commonly referred to as “Section 405.” This funding is used to address selected national priorities for reducing highway deaths and injuries. This is an incentive program and to be eligible for these funds, the WTSC must satisfy certain eligibility criteria through an annual application process. More details can be found in the *WTSC Grants Management Manual*, Section 4.3.

The *NHTSA Resources Guide*, found at <https://www.nhtsa.gov/highway-safety-grants-program/resources-guide>, has further information regarding these programs and specific requirements.

## **Section 5.3 - Transfer Funds**

In addition to Section 402 funds, the WTSC may be eligible to receive funds from other federal transfer program sources, such as Section 164 funds. The specific available programs typically change with each federal reauthorization of the traffic safety program. The state is normally notified through FHWA’s Advance Notice of Apportionments around July 1 of each year, and FHWA’s Final Notice of Apportionments is usually issued around October 1.

The WTSC Director and the appropriate authority at WSDOT determine the split of transfer funds between WSDOT and WTSC. The WTSC and WSDOT must notify the FHWA within 60 days of the fund transfer of what the split of funding will be between WSDOT and WTSC.

It is important to note that, for behavior-related activities, the use of Section 154 and 164 transfer 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 alcohol-impaired driving related laws. Washington State may not use transfer funds for general law enforcement, training, or equipment purchases.

The WTSC Finance Director maintains specific information on the authority for, application for, and dedicated use of transfer funds.

## **Section 5.4 - Benefit to Local Subdivisions of the State**

At least 40 percent of Section 402 funding must be spent at the local level, including Indian Tribal Governments. When grants are allocated to local agencies and local benefit is claimed, the WTSC shall ensure that local benefit source documentation is available onsite, including evidence of an active local voice in the initiation, development, and implementation of the programs.

With regard to Washington State expenditures, such as WSP enforcement or statewide paid media, the WTSC may designate these expenditures as benefiting local government to meet the 40 percent requirement. The WTSC may credit such expenditures only where the political subdivision has either an active voice or has agreed in advance of implementation to accept the benefits of the program. The active voice or pre-agreement must be documented in writing by the local government entity.

The WTSC must also ensure that the required percentage of funds is actually expended to the benefit of locals. This requires the WTSC to periodically monitor local grant expenditure rates during the federal fiscal year. Each voucher 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 grantees.

The WTSC Finance Director maintains specific information on how the WTSC meets these requirements.

## **Section 5.5 - Maintenance of Effort**

Specific Maintenance of Effort (MOE) requirements were established under previous federal grant funding laws, and continued under the recent FAST Act. In order to qualify for Section 405 funds for the Occupant Protection program, Traffic Safety Information Systems Improvement program, and the Impaired Driving Countermeasures program, the WTSC is required to designate the lead agency for each program and certify this lead agency is maintaining its aggregate expenditures at or above the average level of such expenditures in FFY 2014 and 2015. These are considered the baseline years for future calculations.

The GHSA has published an [MOE Advisory](http://www.ghsa.org/resources/map-21-and-fast-act-maintenance-effort-moe-advisory). WTSC staff are encouraged to review this advisory for the latest MOE requirements and interpretations. The WTSC Finance Director has further information regarding MOE. In addition, information can be found in the *NHTSA Resources Guide* at <https://www.nhtsa.gov/highway-safety-grants-program/resources-guide>.

## **Section 5.6 - Matching Funds**

Washington is required to provide matching funds to be eligible to receive federal traffic safety funding, usually called “match.” Match is defined as state and local funds that are expended to contribute to qualifying traffic safety programs funded by the federal government. Federal funds from other programs cannot be utilized as match. The state match typically comes from the state’s traffic safety fund.

**Percentage Requirements:**

The required match amount is calculated as a percentage of the total program costs or on a sliding scale for some programs. In collaboration with PASD, the WTSC Finance Director 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. For all match funds identified and documented by the WTSC, no other program (federal, state, or local) may utilize the same dollars as program match.

The WTSC Finance Director maintains specific information relating to WTSC match requirements.

## **Section 5.7 - Indirect Costs**

Indirect costs may be allowed; however, the WTSC strives to limit the use of funds to direct costs for traffic safety projects. In some cases, the WTSC approves indirect costs necessary to realize the objectives of certain traffic safety projects. Indirect costs are strictly governed by NHTSA guidelines, and detailed in the *NHTSA Highway Safety Grants Program Resources Guide*, found at <https://www.nhtsa.gov/highway-safety-grants-program/resources-guide>.

Grantees that have a negotiated rate by a cognizant federal agency may be paid that rate. The grantee may elect to be reimbursed at an IDCR lower than that established by the cognizant federal agency, and this will be acceptable to the WTSC. More information can be found in the *WTSC Grants Management Manual,* Chapter 9.

All grant proposals requesting IDCR will be brought to the attention of the WTSC Deputy Director, Finance Director, and Program Director during the annual grant review period. The Deputy Director, Program Director, Finance Director, and Program Manager will ensure that every grant request for IDCR is well-documented, the IDCR cognizant federal agency letter is on file, and the proposed IDCR reimbursement rate is clearly understood. **All grants requesting IDCR must be cleared through and approved by the Deputy Director prior to executing the applicable grant agreement.**

## **Section 5.8 - Program Income**

Some traffic safety projects conduct activities that generate income to cover present and future program or project costs. When grantees earn money for their services or products, they may be earning what is defined in the federal regulations as “program income.” Any and all income earned by the grantee during the grant period from activities conducted as part of the grant (e.g., sale of publications, registration fees, service charges, etc.) must be fully accounted for and, just as importantly, applied to project purposes or used to reduce project costs. Program income is governed by NHTSA guidelines, and detailed in the *NHTSA Highway Safety Grants Program Resources Guide*, found at <https://www.nhtsa.gov/highway-safety-grants-program/resources-guide>.

Such program income earnings may include, but are not limited to:

* Fees for services performed
* Sale of commodities fabricated under the grant
* Usage fees or rental fees from real or personal property or equipment acquired with grant funds
* Payment of principal and interest on loans made with grant funds

The WTSC must approve a grantee’s request to earn program income prior to beginning the grant project, and there must be specific notice in the WTSC HSP that the grant will generate program income. The total income earned must be tracked and reported by the WTSC in the Annual Report. Program income may not be used to meet cost-sharing or matching requirements without written approval from the NHTSA Regional Office, and such use shall not increase the commitment of federal funds.

All grant proposals which include program income will be brought to the attention of the WTSC Deputy Director, Finance Director, and Program Director during the annual grant review period. The Program Manager will ensure that all grant-related income is well-documented and accounted for in accordance with guidelines. **All grants which include program income must be cleared through and approved by the Deputy Director prior to executing the applicable grant agreement.**

## **Section 5.9 - General Costs of Government**

According to 2 CFR 200.444, funding the “general costs of government” from federal grant funds is unallowable. Unallowable costs include:

* Salaries and expenses of the Office of the Governor of a state or the chief executive of a local government or the chief executive of an Indian tribe
* Salaries and other expenses of a state legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction
* Costs of the judicial branch of a government
* Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation
* Costs of other general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation

For Indian tribes and Councils of Governments (see 2 CFR 200.64 Local Government), up to 50 percent of salaries and expenses directly attributable to managing and operating federal programs by the chief executive and his/her staff can be included in the indirect cost calculation without documentation.

All WTSC staff should be aware of these restrictions and immediately elevate any concerns regarding a grant proposal, activity, or reimbursement to the Program Director, Finance Director, or Deputy Director.

## **Section 5.10 - Public Outreach - Media**

Advertising media intended to reach a large audience can be an effective way to provide public outreach and education regarding traffic safety. The *Uniform Guidelines for State Highway Safety Programs* (found at <https://one.nhtsa.gov/nhtsa/whatsup/tea21/tea21programs/index.htm>) provides 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 regarding seat belts, air bags, and child safety seats.” The WTSC has the authority to use federal grant funds to purchase advertising in a variety of mediums including television, radio, cinema, internet, social media, print, billboards, signs, banners, posters, and sports marketing for highway safety messages.

The WTSC is required to report on the purchase of media with federal funds and its effectiveness in its Annual Report. NHTSA advocates the use of a sustained HVE model that focuses on strategically deploying enforcement and communications resources at targeted times and locations throughout the year based on 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.

The WTSC Legislative and Media Relations Manager maintains other specific requirements for media purchases.

## **Section 5.11 - Educational and Promotional Materials**

As noted, use of federal traffic safety grant funds must support the Washington traffic safety programs. The WTSC and grantees must use good judgement to ensure that all expenses charged to grant funds are reasonable, within the scope of the grant, address an evidence-based traffic safety problem, and meet certain performance measures. Within these guidelines, grantees may use federal traffic safety grant funds for certain very specific education and promotional items. Specific information on the criteria can be found in the *WTSC Grants Management Manual*, Chapter 12.

## **Section 5.12 - Certification and Assurances**

As part of its annual HSP, WTSC submits documentation to NHTSA stating that the WTSC will abide by all federally-required certifications and assurances detailed in federal regulations. These federal certifications and assurances then also apply to all agencies and organizations that accept federal traffic safety funds from WTSC, and are normally detailed in each grant agreement and contract. Certifications and assurances may change occasionally due to federal law changes, so the WTSC must ensure that grantees are aware of the most current federal certifications and assurances during the grant agreement development process. The most recent federal certifications and assurances can be found in the *NHTSA Resources Guide* at <https://www.nhtsa.gov/highway-safety-grants-program/resources-guide>.

## **Section 5.13 - HSP Approval**

The HSP and the applications for specific Section 405 incentive programs must be submitted to NHTSA electronically by July 1, without exception. Failure to meet this deadline will result in delayed approval for funding and may lead to shutdown of programs.

Upon receipt and initial review of the HSP, NHTSA usually requests additional information to ensure WTSC compliance. Failure of the WTSC to respond promptly to these requests may result in delayed approval of funding or disqualification for incentive program funds.

Within 45 days after receipt of the HSP, the NHTSA Regional Administrator must issue a letter of approval with conditions, if any, or a letter of disapproval to the WTSC Director. If a letter of disapproval is issued, it must state the reasons for disapproval and allow for resubmission of a revised HSP. The NHTSA Administrator must also notify the WTSC Director in writing of Section 405 and Section 1906 grant awards and specify any conditions or limitations on the use of these funds.

Upon submission of the revised HSP, if required, NHTSA must issue a letter of approval or disapproval within 30 days.

# ***Chapter 6 - Internal and External Project Development***

## **Section 6.1 - Overview**

The WTSC solicits proposals and awards grants that fund projects designed to reduce the number of deaths and serious injuries resulting from traffic crashes. Specific information regarding this process can be found in the *WTSC Grants Management Manual,* Chapter 5. The WTSC funds both internal grants (managed and monitored by WTSC staff) and external grants (managed by grantees and monitored by WTSC staff).

## **Section 6.2 - Developing WTSC Internal Projects and Grants**

Prior to the beginning of each fiscal year, the WTSC Deputy Director and Finance Director will estimate how much funding is needed for P&A and Program Management costs to support the operation of the WTSC’s traffic safety program. Estimates will take into consideration any anticipated increases in costs as well as in recurring costs.

WTSC staff, including the Program Managers, Research Director, Deputy Director, Program Director, Legislative and Media Relations Manager, and Finance Director, will develop proposals in WEMS for all internal grant needs. These internal grants normally cover P&A, technical coordination, RADD budget needs, media needs, emerging projects, and program needs such as block grants or other traffic safety projects which the WTSC intends to monitor and manage internally. These proposals should be developed through a series of meetings and open discussions to discuss needs, expected budget amounts, and explore issues. The proposals should be submitted in WEMS within the same timelines as external grants.

WTSC internal grant proposals are reviewed, scored, and considered alongside all external proposals. Resulting internal agreements will be in the form of Intra-Agency Agreements between the Office of the Director and the specific WTSC Designated Contact (usually a Program Manager or Executive Team member). The WTSC Deputy Director will be designated as the Designated Contact for the WTSC P&A, Technical Coordination, and Emerging Projects grants.

## **Section 6.3 - Emerging Projects Approval Process**

WTSC staff members will direct all requests for use of Emerging Projects funds through their supervisor. When a WTSC Executive Team member wishes to request a project be funded from the current fiscal year’s Emerging Projects funds, the Executive Team member will make the request by email to the Deputy Director. The Deputy Director will review the request and, if needed, consult with the WTSC Finance Director regarding availability of funds. The Deputy Director will approve or disapprove the use of Emerging Projects funds. If the use of these funds is approved, the Executive Team member will work with the WTSC Program Director to develop and execute the proper documentation, including grant agreements, reimbursement processes, reporting requirements, etc., to ensure the use of the Emerging Project funds is appropriately tracked and monitored.

If an external agency requests WTSC funding of a worthy project after normal grant cycle close-out, the request should be directed to the WTSC Program Director. The Program Director will review the proposal and present the proposal and a recommendation to the Deputy Director regarding funding (or not funding) from the Emerging Projects funds. The Deputy Director will then either approve or disapprove the request. If the project is approved by the Deputy Director for funding from the Emerging Projects grant, the Program Director will work directly with the grantee (or assign a Program Manager) to ensure all standard project documentation and monitoring is completed.

## **Section 6.4 - Target Zero Manager Mini-Grant Process**

**Overview:**

When funding is available, the WTSC funds “mini-grants” to be utilized by WTSC TZMs support local Target Zero projects across the state. WTSC requires that all mini-grant expenditures comply with federal guidelines, regulations, and NHTSA requirements. The funds must be used to benefit traffic safety programs. Allowable mini-grant purchases include:

* Professional development, such as training for the TZM to enhance his/her skills to improve local projects and traffic safety training for Target Zero Task Force personnel
* Recognition items approved under NHTSA guidelines
* Educational materials, such as handouts, flyers, rack cards, and other public education materials

**Process:**

TZMs will submit a proposal via email to the WTSC Program Manager managing the TZM program area. The proposal should include:

* Description of the service or items requested for purchase, including training dates and locations, if applicable
* Description of how the service or items will benefit the local Target Zero program
* Details of costs of the service or items, including all taxes, fees, and expected travel expenses
* Requested deadline for the purchase, if applicable

These mini-grants are not always available and are contingent on funding. Instructions and requirements for these grants will be maintained by the assigned WTSC Program Manager.

# ***Chapter 7 - Grant Selection and Execution***

## **Section 7.1 - Overview**

The annual grant selection process begins when the WTSC Director notifies state and local public agencies, law enforcement departments, and eligible non-profits involved in traffic safety-related activities that grant funds will be available for the coming federal fiscal year. A timeline and further information can be found in the *WTSC Grants Management Manual,* Chapter 5.

## **Section 7.2 - Proposed Grant Application Submission Process**

Grant applicants must complete and submit proposals through the WTSC WEMS by an established deadline, which is generally in January or February each year. Further information can be found in the WTSC *Grants Management Manual*.

## **Section 7.3 - Grant Review and Selection**

In accordance with the *Grants Management Manual*, WTSC staff follow a process to review and score each grant proposal (both internal and external), and through this process develop a proposed portfolio of grants to be considered for funding and included in the annual HSP.

**Program Manager Review and Scoring:**

Once the solicitation cycle closes, the WTSC Program Director assigns a lead Program Manager to guide the review of each particular proposal. The lead Program Manager should thoroughly read each assigned proposal at least once before beginning scoring. This method ensures a full understanding of each proposal before awarding points. It also will help to eliminate or reduce the general tendency to award fewer points to the first proposals reviewed. Once the lead Program Manager has reviewed all assigned proposals, the Program Manager then begins scoring proposals using the WEMS Scoring Matrix to derive a numeric score for the proposal.

The Program Manager can seek additional information from the applicant through the WEMS system (or other means, such as email), and should record any comments, questions, and additional information obtained from the applicant in WEMS.

The lead Program Manager also performs a Risk Assessment on each potential grant proposal to evaluate past grantee performance and to establish an appropriate level of grant monitoring activities if the grant project is approved.

The Risk Assessment is completed through the WEMS system during the proposal review process. More information on Risk Assessments can be found in the *WTSC Grants Management Manua,l* Chapter 5.

**Grant Review Team:**

Once all the proposals are reviewed and scored, a number of WTSC staff from across the agency meet to review and discuss the merits of each scored proposal. The WTSC internal review team consists of:

* Deputy Director
* Program Director
* Finance Director
* Research Director
* Legislative & Media Relations Manager
* All Program Managers
* Communications Consultant
* Others, as needed

The review team usually meets twice; once to do an initial review of all submitted proposals and again to finalize decisions for what will be presented to the TAC.

**Technical Advisory Committee:**

The WTSC grant portfolio funding recommendations are then presented to a group of Commission agency representatives and other stakeholder advisors, called the TAC. The TAC was created to ensure a diverse voice in how WTSC creates its annual investment plan. The TAC reviews the portfolio and makes recommendations for changes, when appropriate, to proposal ranking and funding recommendations. The TAC membership may change year-to-year based on particular proposals received by WTSC, but normally consists of the following representatives:

* WSDOT, Traffic Operations Division
* WSDOT, Highways & Local Programs Division
* Department of Social and Health Services/Health Care Authority, Division of Behavioral Health Recovery
* Office of Superintendent of Public Instruction
* Administrative Office of the Courts, Judicial Services Division or other judicial representative
* WSP Field Operations Bureau
* WSP Impaired Driving Section
* Local law enforcement officer
* DOH
* DOL
* City and county representatives
* Tribal representatives
* Local Target Zero Manager

Others may be invited as advisory stakeholders, such as NHTSA Region 10, FHWA, or Federal Motor Carrier Safety Administration staff.

In coordination with the WTSC Program Director, the Deputy Director creates summary documents for the TAC in advance of the TAC meeting. During the all-day TAC meeting, the lead Program Manager for each proposal provides a short description of the proposal and discusses the WTSC staff decision. Based on input from the TAC, the investment portfolio will be amended and finalized for review and approval by the WTSC Commissioners.

It should be noted that the TAC is an advisory group and do not “vote” on the proposals. The WTSC Director should take TAC recommendations into consideration, but is not bound by any advice or recommendations presented by the TAC.

**WTSC Commission Meeting (April):**

The final portfolio of grant proposals is presented to the WTSC Commissioners for approval at the April meeting each year. This presentation is conducted by the Deputy Director, and should be a high-level review of the portfolio that highlights specific proposals needing special attention. Upon approval by the Commissioners, these proposals become grant-funded projects that are included in the annual HSP.

## **Section 7.4 - Grant Award Notification and Negotiations**

Once the WTSC Commissioners have approved the annual grant portfolio, the Program Managers and other staff are given authority to contact the grant applicants and unofficially inform them of their selection (or non-selection) for funding. Official email letters are also drafted and sent to the applicants to ensure proper documentation. These official notifications have specific requirements to include specific information, based on NHTSA guidelines. The WTSC Finance Director and Program Director should review the letter templates (for both “approved” and “not approved” applicants) to ensure the letters have the proper inclusions. All applicants should be notified in writing of their award status by mid-May.

After the successful applicants have been notified their proposals have been approved for funding, each grantee then works with the assigned Program Manager to complete all grant agreement documentation through negotiations and discussions of the proposal and associated issues. In collaboration, the Program Manager and the grantee finalize a grant agreement developed using the elements from the original proposal and any adjustments made during the review process.

Development of the grant agreement typically involves some level of negotiation. Items to be discussed during the negotiation phase include, but are not limited to:

* Problem identification
* Project description
* Anticipated outcomes, goals, and objectives
* Time period of activities
* Location and frequency of activities
* Specific budget content
* Acquisition of equipment or other items
* Frequency of reporting and invoice submissions
* Performance measures for the project

The grant agreement is based on a WTSC-approved template and should provide details of:

* Specific components and activities of the project, including a detailed Statement of Work
* The final authorized budget with detailed specificity
* Specific project goals, objectives, and performance measures
* The commitment of responsibilities by the WTSC and the grantee
* State-mandated requirements
* Federal certifications and assurances

## **Section 7.5 - Final Grant Agreement Preparation and Execution**

The final grant agreement, usually in the form of an IAA for an external grant, is completed through the WEMS system. The WEMS system can be used to automatically generate the agreement and route it for electronic signature by the grantee authorizing official.

If the grantee agency cannot or does not use electronic signature, WTSC Program Managers must create and route “hard copy” agreements for “wet” signature. Once executed by both parties, the grant agreements must then be uploaded into WEMS for filing. **All grant agreements created outside the WEMS system must be coordinated with and approved through the WTSC Program Director.**

**WTSC Signature Certification:**

When the WTSC Director, Deputy Director, or other granted authority signs a grant agreement, they are certifying the agreement:

* Is legal, binding, and payable
* Includes all required and applicable provisions
* Is based on a risk assessment
* 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 or scheduled to be budgeted
* Has been authorized by the WTSC as part of the HSP

**Grantee Requirements:**

The grant agreement must be signed by the authorizing official (person with contracting authority) for the grantee agency or organization. By signing, the authorizing official is certifying that they will abide by all of the terms and conditions contained in the agreement, including the federal certifications and assurances.

**Grant Requirements Acknowledgment Form:**

Program Managers are required to conduct a pre-grant conference with each grantee to discuss, clarify, and finalize grant agreements and other documents. Program Managers must ensure that grantees are familiar with the agreement terms and conditions, fiscal procedures, grant controls, project monitoring activities, recommended management practices, and other information needed to meet federal requirements. Upon completion of the pre-grant conference, the grantee Project Manager will sign the GRAF to certify that the requirements of the grant agreement have been discussed and are fully understood by the grantee. This is normally done through the WEMS electronic signature process, but if electronic signature is not possible, a paper version of the GRAF may be used and “wet signatures” obtained. The paper version of the signed GRAF should then be uploaded and filed in the WEMS project file by the WTSC Program Manager.

By having the grant agreement signed by the grantee authorizing official and the *GRAF* signed by the grantee Project Manager, the WTSC can better ensure that the various grant terms, conditions, and requirements are understood by all the parties involved in the management of the grant project.

The contents of the GRAF template are developed by WTSC staff, as required, and approved by the WTSC Deputy Director.

## **Section 7.6 - Equipment Purchase of $5,000 or More Requires NHTSA Approval**

Program Managers are responsible for ensuring they abide by NHTSA approval requirements regarding equipment purchases which meet or exceed the NHTSA threshold of $5,000 per unit cost. As required by 23 CFR 1300, 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 value, the WTSC must receive prior written approval from the NHTSA Regional Administrator.

The unit cost for equipment is the unit’s purchase price *plus* any accessories necessary to make the equipment operational for its intended purpose. Also, regulations include the entire cost of the piece of equipment, regardless of the portion of funding supported by federal or other funds, if the total cost is $5,000 or more.

Equipment requests should be included in the annual HSP, if enough information is available at the time of the HSP development. Otherwise, the WTSC Program Manager will prepare a written request letter to be signed by the Director to the NHTSA Region 10l Office for the identified equipment. The letter of request shall provide a complete description of the equipment, grantee’s organization name, total cost, useful life, and how the equipment will support the WTSC’s traffic safety program. When needed, the Program Manager should consult with the WTSC Program Director, Finance Director, and/or Deputy Director to determine if an equipment request is needed.

If the purchase is approved, the WTSC Program Manager will inform the grantee and provide specific instructions for the purchase of the equipment.

## **Section 7.7 - Other Equipment Purchases**

Approved equipment must be used by the grantee for the purpose for which it was acquired as long as needed, if the program continues to be supported by WTSC 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 federal disposition requirements. Prior written approval must be received from the NHTSA Regional Office by the WTSC 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.

Documentation of all equipment purchase requests and approvals will be included in the project file. Annual reviews of equipment are accomplished by the WTSC Administration Division in collaboration with the Program Managers and are documented in a separate specific agency file maintained by the Administration Division.

**Unallowable equipment purchase:**

Note that purchases of office furnishings and fixturesare *unallowable*. The following are some examples:

|  |  |  |
| --- | --- | --- |
| DeskChairTableShelving unitsCoat rack | CredenzaBookcaseFiling cabinetFloor coveringOffice plant or planter | Storage cabinetPortable partitionPicture or wall clockDraperies and hardwareFixed lighting or lamps |

## **Section 7.8 - Grant Progress Reporting Requirements**

The WTSC requires three types of progress reports in conjunction with traffic safety grant projects:

* Quarterly progress reports
* A final report at the conclusion of a grant
* Special reports, as required

Progress report requirements are found in the *WTSC Grants Management Manual,* Chapter 9.

## **Section 7.9 - Grant Project Modifications and Amendments**

Occasionally, projects need to be adjusted to meet unanticipated requirements or unforeseen restrictions, and a project revision may mean that the agreement needs to be modified or amended. Information regarding grant project modifications and amendments can be found in the *WTSC Grants Management Manual,* Chapter 9.

# ***Chapter 8 - Grant Administration and Management***

## **Section 8.1 - The Program Manager and Grant Management**

The WTSC employee normally responsible for the day-to-day oversight of a grant is called a Program Manager. There will be a few exceptions of course, because some WTSC grants are managed by the WTSC Research Director, Deputy Director, Program Director, Communications Consultant, or Legislative and Media Relations Manager.

The Program Manager is responsible for tasks associated with their assigned grants and program areas (for example, Impaired Driving or Young Drivers). WTSC Program Managers’ grant management responsibilities are outlined in in Chapter 9 of this manual, as well as in the *WTSC Grants Management Manual*, Chapter 8.

The WTSC Program Managers have wide authority over project oversight and management, but the Program Manager specifically will *not*:

* Impose any task upon the grantee or permit any substitute activity not specifically provided for in the grant agreement.
* Approve or authorize expenses for activities that are not included in the grant agreement.
* Offer advice to the grantee that may adversely affect performance, compromise the WTSC’s rights, or provide the basis of a claim against the WTSC.
* Authorize or agree to any change in the grant agreement certifications and assurances, project period, delivery schedule, maximum amount eligible for reimbursement, or other terms and conditions of the grant agreement, unless such change is authorized in an official adjustment or amendment to the grant agreement.
* Promise that a future grant or extension of a grant for another year will be approved prior to official WTSC approval.

## **Section 8.2 - Payment Procedures and Fiscal Processes**

Financial accountability by both the grantee Project Manager and WTSC Program Manager is critical and includes a thorough review of claims for reimbursement. The WTSC will review all proposed and submitted costs to determine that they are necessary, reasonable, and in compliance with applicable cost principles. The WTSC has established specific procedures for grantees and Program Managers to follow, and those are detailed in the *WTSC Grants Management Manual,* Chapters 8 and 9.

Federal grants do not allow payment of any profit to the grantee. If the WTSC or a grantee subcontracts with a commercial (for profit) firm, the fee becomes an actual cost and is eligible for reimbursement if all other payment criteria meets the terms of the grant agreement.

Advances are not allowed. Reimbursement will be made only for costs incurred during the grant period.

## **Section 8.3 - WTSC Procurement of Goods and Services**

The WTSC must follow all Washington State and WTSC procurement rules and regulations for the purchase of goods and services for the use and benefit of the traffic safety program. The WTSC Program Managers will monitor grantee contracts and service agreements to verify compliance with established state and/or local procurement procedures.

All Washington State procurement rules may be found at the website maintained by the Washington State Department of Enterprise Services: <https://des.wa.gov/services/contracting-purchasing>.

Questions regarding procurement rules should be directed to the WTSC Deputy Director.

## **Section 8.4 - Food and Beverage Purchase Requirements**

All staff must follow the requirements and guidelines of WTSC’s Light Refreshments policy, as updated. Also, 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 if the primary purpose is the dissemination of technical information. This requirement applies to the WTSC and grantees. Records must be maintained to document that the primary purpose of the meeting was the dissemination of technical information. The documentation must include a statement describing the date, location, number of attendees, names of attendees, the food and beverage items to be purchased, and a description of the meeting purpose.

The purchase of alcoholicbeverages is *not* allowed. The costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with those activities (such as tickets to shows, sports events, meals, lodging, rentals, transportation, and gratuities) are also not allowed.

## **Section 8.5 - Travel Costs**

Reimbursement for travel expenses is covered by the *WTSC Grants Management Manual* Chapter 9. Further guidance and direction should be sought from the WTSC Program Director, Deputy Director, or Finance Director, if needed.

## **Section 8.6 - Equipment Management/Tracking**

All equipment purchased using federal grant funds requires prior written approval from NHTSA. Equipment is managed by the WTSC during the grant application review and agreement development process. Grant-funded equipment must only be used for traffic safety purposes.

Equipment use will be monitored by the WTSC Program Manager, and an inventory of all WTSC-purchased equipment will be maintained by the WTSC Administration Division. The WTSC uses a centralized electronic inventory control system to identify and track all grant-funded equipment or other property classified as controlled items, listing all essential information required by Washington State property management guidelines.

The WTSC, as part of its oversight responsibility, will systematically monitor all grant-funded equipment to ensure that grantees are in compliance with state and federal equipment management requirements. The WTSC Program Manager should physically verify the existence of and traffic-safety use for each item of equipment when conducting on-site monitoring visits.

Further information can be found in the *WTSC Grants Management Manual,* Chapter 11.

## **Section 8.7 - Equipment Disposition**

Equipment must be used by the grantee in the program or project for which it was acquired as long as needed even after the project or program is no longer supported by federal funds. Equipment must not be removed from the grantee’s direct control, sold, salvaged, or otherwise disposed of without written approval from the WTSC Director. However, equipment that is no longer tracked by the WTSC does not require approval for disposal. The WTSC may determine that a unit of equipment is no longer appropriate for tracking when the equipment is no longer used or needed for the original intended purpose or if the equipment has passed its expected useful life.

The WTSC may claim equipment or controlled assets purchased with federal funds for grantee projects or programs as its own property when:

* The traffic safety grant is completed or terminated
* The WTSC determines the equipment is no longer needed for the purpose for which it was acquired

The grantee must seek WTSC approval for any other disposition of equipment or controlled assets purchased by federal funds. This includes:

* 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
* Declaration that equipment is stolen
* Sale at auction with proceeds returned to WTSC for reconciliation with federal funding

As previously noted, prior written approval must be received from the NHTSA Regional Office 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.

# ***Chapter 9 - Grant Project Monitoring***

## **Section 9.1 - Overview**

The WTSC is responsible for monitoring the implementation and conduct of all grant-supported activities. The WTSC should monitor grantees and grant-supported activities to ensure compliance with applicable federal requirements, assure effective use of grant funds, monitor progress toward grant objectives and performance targets, and detect fraud, waste, or abuse.

Project monitoring is also 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 WTSC to provide technical assistance when needed. It also encourages accountability on behalf of the grantee.

Further information on monitoring activities is covered in the *WTSC Grants Management Manual,* Chapter 8.

## **Section 9.2 - Fraud Prevention**

Recent cases of fraud involving grantees and federal traffic safety grant funds have been detected, and highlight a need to conduct thorough fraud prevention activities at all levels. A comprehensive monitoring program, with sufficient management oversight, is one of the most effective ways to detect and prevent fraud.

Onsite monitoring of grants is essential. The following steps should be made part of the grant development, monitoring, reporting, and site visit processes to ensure proper safeguards are in pace to prevent fraud and to detect fraud when it occurs:

**High Risk Grants and Activities:**

Special attention should be paid to high risk grants and activities, such as:

* Grants with large budgets or complex budget expenditures
	+ Expenditure claims should be closely analyzed to ensure only appropriate items are being claimed
* Law enforcement grants and other grants which contain expenditures for personnel services
	+ Personnel log sheets should be closely examined and compared 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 approved grant-funded activities is submitted for reimbursement
* Contracts with hourly rates as part of the expenditures
	+ Ensure that only approved hourly rates for contractors and vendors are charged to the grant, and that legitimate original invoices from contractors and vendors for actual work completed are available for examination

**Recognition of Risk Factors for Grants:**

Be watchful for certain risk factors often found during the course of the grant project, such as:

* Limited communications from the grantee
* Failure to provide details of progress toward specific benchmarks, goals, or deliverables
* Lack of training for supervisors and officers on unique conditions of the grant project
* Lack of supervision of grant procedures during overtime patrols, including time and attendance quality checks or use of paper forms with limited review

**Prevention Strategies:**

Use these grant monitoring strategies to detect and prevent fraud:

* Provide specific pre-award guidance to grantees to explain the federal requirements and discuss the need for their own internal controls to prevent and detect fraud.
* Establish clear performance benchmarks and expectations with all grantees.
* Require grantees to submit their policy/internal controls to the WTSC for review for compliance with generally accepted practices; for example:
	+ 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 GPS records or other location records for patrol vehicles?
* Review original documents (not copies) at the grantee or third-party contract level.
	+ Could an officer falsify elements like date and time of the violation?
	+ Are records retained for review?
* When conducting onsite monitoring, review random or sample reimbursement vouchers to compare with what was submitted to WTSC.
* Know what actions to take if possible fraud is detected.

## **Section 9.3 - Project Monitoring**

All projects, regardless if internal or for external grantees, need to be monitored to ensure that the activities being conducted are in accordance with the goals, activities, and performance measures outlined in the project agreement. Project monitoring begins with the initial review of grant submissions by staff and continues until the final closeout of the project. Monitoring activities, progress reports, and project evaluations are documented in the grant file, either in WEMS or in paper form.

If any problems or issues are identified during project monitoring, the situation usually requires a meeting between the grantee and the WTSC or the scheduling of an onsite monitoring visit. The determination of the appropriate action to be taken should be made by the Program Manager with consultation with the WTSC Program Director and/or Deputy Director. Any additional specific monitoring requirements and copies of important correspondence related to the situation should be documented in the WEMS grant file.

Further information on Project Monitoring can be found in the *WTSC Grants Management Manual,* Chapters 8, 9, and 10.

**Site Visits**:

The WTSC performs an on-site monitoring visit (normally called a Site Visit) on almost all grant agreements, as determined by the grant Risk Assessment. A Site Visit may be conducted on any grant of any size, if desired. Site Visits include a review of project goals, objectives, financial records, technical support, and equipment inventories.

The Program Manager must conduct at least one Site Visit per year for grantees meeting any of the following criteria:

* Total budget of the grant agreement exceeds $50,000
* Grantee has identified a new Project Manager
* Grantee has a past history of poor performance
* Recent ongoing monitoring identified a potential problem or issue

Each Program Manager shall identify the specific grantees each fiscal year which will require a Site Visit. Site Visits are normally scheduled and documented through the WEMS system.

**Advance Preparation for Site Visit:**

Prior to the onsite monitoring visit, the Program Manager should:

* Plan each Site Visit at least three to four weeks in advance of intended meeting date.
* Carefully review the grant agreement to determine which activities in the action plan should have been accomplished by the Site Visit date.
* Note any special terms or conditions that need monitoring.
* Review all correspondence, performance reports, and requests for claim reimbursement that have been submitted prior to the Site Visit.
* Set up appointments with the grantee’s project staff (normally done through WEMS, but follow-up communication is recommended) about two weeks in advance of intended meeting.
* Provide the grantee a list of the types of documents to be reviewed.
* Note items requiring follow-up from previous monitoring visits or ongoing monitoring activities.

**Items to Review During a Site Visit:**

Onsite monitoring includes an examination of all documentation and physical evidence related to the effective and efficient operation of the project. The following, though not all-inclusive, are important items for review:

* Progress is being made toward achievement of objectives and performance targets
* Grantees are adhering to milestones and action plans
* Resources are consistent with agency mission
* Programs and resources are protected from waste, fraud, and mismanagement
* Laws, regulations, and policies are being followed
* Reliable and timely information is being obtained, maintained, reported, and used for decision-making
* Grantee budget status matches WTSC budget status
* Accounting records are evident
* Personnel records and time sheets are evident and complete
* Any necessary pre-approvals (equipment or out of state travel) have been obtained
* Supporting documentation, such as signature authority letters, verification of costs, invoices, subcontracts, etc., are evident
* Purchased or leased equipment is accounted for and tracked, including evidence of inventory management
* Purchased or leased equipment is being used for the intended purpose under the grant agreement

Although not required, Site Visits may also include direct observation of grant activities. These might include attendance at or participation in:

* Meetings, workshops, or training courses
* Press conferences or media events
* Presentations to schools, organizations, or civic clubs
* Task force or committee meetings
* “Ride-alongs” during shifts of overtime enforcement
* Maintenance of speed feedback signs or other equipment

**Documentation of Site Visit:**

The Program Manager will complete the WTSC Site Visit Monitoring Report in WEMS and upload copies of all appropriate records and other documents reviewed during the visit. Any concerning issues or problems noted during the Site Visit should be brought to the attention of the WTSC Program Director as soon as possible after the Site Visit.

## **Section 9.4 - Findings Resulting from Project Monitoring and WTSC Actions**

**Minor Findings:**

The Program Manager will notify the grantee upon discovering any minor discrepancies or errors in project implementation, expenditures, reporting, 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
* Quarterly Reports that contain errors in dates or are lacking information

A notification of any minor finding should include the following information:

* A detailed description of the minor finding
* A description of any actions or options the grantee should make in response to the finding
* A date by which the grantee should implement the recommended action, if applicable

Notifications of minor findings may be made by telephone, email, or through WEMS. Copies of correspondence, including copies of e-mail exchanges or a synopsis of telephone calls, should be included in the WEMS grant file to document the notification. It is important to document notifications of minor findings; documentation will help in the event the discrepancies become more serious.

**Repeated Incidence or More Serious Findings:**

Upon a repeated incidence of a minor finding or discovery of a more serious error or discrepancy, the Program Manager will immediately meet with the Program Director to discuss the finding and develop an action plan. If warranted, the Program Manager and Program Director should begin the process of officially notifying the grantee of the finding and the actions required. The Program Manager and Program Director should draft a written notice for the WTSC Deputy Director’s approval and signature. The Program Director or Program Manager will brief the Deputy Director and present the draft written notice for review as soon as possible after discovering the finding.

Examples of more serious errors or discrepancies which should be considered a more serious finding include:

* Untimely submission or omission of required reports or invoices, including a lack of required supporting documentation
* Submitting a reimbursement for an unallowable or unapproved item (other than a minor incidental error)
* Typographical or mathematical error that affects the amount of reimbursement
* Actions taken without prior approval when the grant stipulated prior approval was required
* Significant delay in achievement of objectives or performance goals
* Unexplained or unexpectedly low spending levels

In addition to the information required for a minor finding or first notification, the official notification letter for a more serious finding should include any potential ramifications or imposed remedies or requirements. These remedies/requirements may include temporary delays in reimbursement, reduction in reimbursed amount (less than claimed), modification of the grant agreement, or reductions in grant funding, among other remedies.

**Significant Findings Requiring Immediate Action:**

When serious problems or issues are identified, the Program Manager will immediately notify the WTSC Program Director and Deputy Director to discuss the finding and determine the appropriate course of action. Significant findings should be immediately addressed through a written notification to the grantee. The Program Manager, Program Director, and Deputy Director should draft a written notice for the WTSC Director’s approval and signature, and brief the Director of the situation as soon as possible after discovering the discrepancy.

If a serious financial problem or potential fraud is identified, the WTSC Deputy Director or Director may request the assistance of another Washington State agency to review the situation or request that a full audit be completed by an outside auditor before taking further action. The WTSC should also consider notifying the NHTSA Regional Administrator. If actual fraud is detected, the WTSC Director will determine further action in consultation with NHTSA, the appropriate Washington Solicitor General, Prosecuting Attorney or District Attorney, State Auditor, or U.S. DOT Office of the Inspector General.

Significant findings include, but are not limited to:

* Work not being performed as outlined in the grant agreement
* Unexplained delays that significantly impact the successful implementation of the grant
* Any Indication of fraud or illegal activity associated with management of a project
* Continuing delays or omissions in the submission of required documents, reimbursements, or reports
* Consistent failure to abide by a provision in the grant agreement

**Resolution of Repeated, More Serious, and Significant Findings:**

Immediate actions to be taken by the grantee to correct the finding will be negotiated by the WTSC Deputy Director and the grantee. The grantee will be required to submit a Corrective Action Plan (CAP) to the WTSC Deputy Director which details how and when the identified deficiencies will be addressed. A date for an onsite follow-up review will be established and corrective action will be monitored by the WTSC Program Manager and Program Director for compliance.

If the findings cannot or have not been resolved as required in the notification letter, the Director should review 2 CFR Part 200.338 and the grant agreement, and consult with the appropriate legal counsel. The following actions may be imposed by the WTSC:

* Temporarily withhold grant reimbursement
* Suspend the grant or part of the grant
* Cancel the grant in whole or in part, in accordance with the grant agreement
* Initiate suspension or debarment proceedings in accordance with established procedures
* Withhold further awards for that grantee
* Other remedies that may be legally available

In taking these types of enforcement actions, the WTSC should provide the grantee an opportunity for a hearing, appeal, or other administrative proceeding to which the grantee is entitled under any statute or regulation applicable to the action involved. The grantee is entitled to receive reasonable and equitable reimbursement for work satisfactorily completed. Equipment purchased with grant funds shall revert to the WTSC for disposition.

Copies of any action involving suspension or cancellation should be forwarded to the NHTSA Regional Administrator.

The WTSC should document all actions taken against grantees and review those records during all subsequent grant proposal cycles and reviews, to ensure grantees who should not be awarded grants are not considered for subsequent grant awards. The Risk Assessment scores should reflect these documented issues.

## **Section 9.5 - Appeals**

In the event that the grantee and the WTSC are not able to find a solution to any dispute or disagreement, the grantee may appeal in accordance with the terms and conditions of the agreement or contract. If the decision in disagreement is not covered by the grant agreement, the grantee may submit an appeal or request for review to the WTSC Director. Specific information regarding disputes, disagreements, and appeals can be found in the *WTSC Grants Management Manual,* Chapter 14.

# ***Chapter 10 - Fiscal Procedures***

## **Section 10.1 - Overview**

The WTSC Program Manager reviews invoices submitted by grantees for reimbursement of grant-related expenses. After review and verification, the Finance Director or Fiscal Analyst conducts a financial review of the invoice and, upon finding it accurate and appropriate, proceeds to process the invoice for payment using the Washington State accounting system and the appropriate federal grants management tracking system.

Procedures for claims and reimbursements can be found in the *WTSC Grants Management Manual* Chapter 9. Claims and reimbursements may be submitted manually, but the preferred method and process is to submit all claims for reimbursement through WEMS. Specific WTSC processes involving the flow of claims and reimbursements from the grantee to WTSC will be developed in collaboration with the WTSC Finance Director and PASD, and will be maintained by the Finance Director. Flexibility and accountability are key elements to ensuring claims are paid on time while also ensuring proper claims review and documentation occur.

## **Section 10.2 - Budget and Expenditure Tracking**

**Reporting of State/Local Matching Share:**

In addition to actual costs to be reimbursed to Washington State, federally-required match funds must be calculated annually by the WTSC and entered into the federal grant management tracking system. The WTSC must establish a reliable process which ensures that federal program match information entered into the federal tracking system for all traffic safety grants is based on the actual program match amounts calculated by the WTSC and reflected on grantee vouchers submitted to the WTSC. The WTSC Program Managers must ensure that grantees understand program matching requirements for their individual projects.

**Reporting of Benefit to Locals:**

Local benefit expenditures must also be reported in the federal grant management tracking system and reconciled at closeout to certify full compliance when preparing the final voucher. The 40 percent minimum need not be met by the required March 31 reporting date, 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 WTSC Finance Director should do further research to determine the cause.Current local benefit documentation must be available on site including evidence of an active local voice in the initiation, development, and implementation of the programs when grants are directed to Washington State agencies and local benefit is claimed. See 23 CFR Part 1300 Appendix C - Participation by Political Subdivisions and the *NHTSA Resources Guide* at <https://www.nhtsa.gov/highway-safety-grants-program/resources-guide>.

**Submission of Federal Reimbursement Voucher:**

The WTSC Finance Director must submit a federal reimbursement voucher to NHTSA at least quarterly, no later than 15 working days after the end of each quarter. A final voucher must be submitted no later than 90 days after the end of the fiscal year, and all unexpended balances must be carried forward to the current fiscal year. Specific requirements for these federal reimbursement vouchers is maintained by the WTSC Finance Director to ensure the federal reimbursement vouchers are complete, accurate, and in full compliance.

Failure to provide adequate information and meet required deadlines may result in rejection or delayed payment of the federal vouchers. Vouchers that request reimbursement for projects whose project numbers or amounts claimed do not match the HSP list of projects, exceed the estimated amount of federal funds provided, or exceed the allocation of funds to a program area will be rejected, in whole or in part, until an amended list of projects and/or an estimated amount of federal funds is submitted to the NHTSA Region 10 Office for review and approval.

## **Section 10.3 - Budget Tracking Reports**

**Federal Spending Transparency:**

The WTSC must report financial information to NHTSA as required by the FFATA and subsequent Office of Management and Budget (OMB) guidance. This information is made available to the public at the <http://www.USAspending.gov> web site.

The FFATA Reporting System (FSRS) is the tool WTSC uses to capture and report grantee data and/or grantee executive compensation data. Refer to [www.fsrs.gov](http://www.fsrs.gov) for details. The requirements are quite complex and WTSC Program Managers and other appropriate staff should become familiar with these requirements.

Guidance documents are also available on the GHSA web site at <https://www.ghsa.org/resources/shso-guidance>.

## **Section 10.4 - Obligation Process**

**Apportionment and Obligation of Federal Funds:**

During each federal fiscal year, the NHTSA Administrator will distribute traffic safety funds available for obligation to Washington State and specify any conditions or limitations imposed by law on the use of the funds. In the event that authorization exists but no applicable appropriation act has been enacted by Congress, the NHTSA Administrator may, in writing, distribute a part of the funds authorized to Washington State to ensure traffic safety program continuity. Any conditions or limitations imposed by law on the use of the traffic safety funds will also be transmitted.

Reimbursement of Washington State expenses or advance payment of federal funds shall be contingent upon WTSC's submission of approved projects in the HSP. The responsibility for development of the estimated annual HSP budget is assigned to the Deputy Director and Finance Director. The cost summary form, list of projects, and any other necessary revisions are prepared by the Finance Directorfor approval by the Deputy Director and Director for inclusion in the HSP.

Funds distributed shall be available for expenditure by Washington State to satisfy the federal share of expenses under the approved HSP, and as such shall constitute a contractual obligation of the federal government, subject to any conditions or limitations identified in the obligation document. These funds must be spent within three years after the last day of the federal fiscal year in which they were obligated. If these traffic safety funds are not spent within this time period, these funds will lapse.

During the last year of traffic safety fund availability, NHTSA will notify the WTSC of unexpended grant funds no later than 180 days before the end of the period of availability. The WTSC may then commit the unexpended grant funds to a specific project before the end of the period of the availability, and the funds committed to a project must then be expended before the end of the succeeding federal fiscal year and only on the identified project. At the end of that time, unexpended grant funds will lapse.

## **Section 10.5 - Fund Liquidation**

The WTSC must promptly obligate and expend federal traffic 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 WTSC Finance Director is responsible for periodically examining the current liquidation of each funding source by year, looking back at least five years. The Finance Director should promptly notify the Deputy Director of any unreasonably large amounts of unliquidated funds. The WTSC must closely monitor the spending rates of all grantees 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 WTSC shall de-obligate unspent funds in a timely manner to allow carryover into the next fiscal year.

The WTSC must document the specific rationale and anticipated timeframe for expenditure of any federal funds which are not going to be promptly obligated. The WTSC Deputy Director shall proactively bring any issues regarding unliquidated federal transfer funds split by the WTSC and WSDOT to the responsible party.

## **Section 10.6 - Single Audit Procedures**

**Overview:**

A grantee that expends $750,000 of federal funds (from all federal sources) or more during their fiscal year must have a single or program-specific audit conducted for that year. The WTSC includes a standard requirement in all grant agreements that describes the conditions that are subject to an audit or financial review.

**Single Audit:**

The audit conducted by the grantee in accordance with Generally Accepted Government Accounting Standards (GAGAS) must cover the entire operation of the organization. At the option of the grantee, this single audit can be broken down into a series of audits that cover the organizational units, however when combined the result is still a single audit of the entire operation. Refer to 2 CFR Part 200.501 and 200.514 for details.

**Program-Specific Audit:**

When a grantee expends federal funds from only one federal program and the federal program does not require a financial statement audit of the grantee, then the grantee may elect to have a program-specific audit performed. Refer to 2 CFR Part 200.501 and 200.507 for details.

**Exemption:**

A grantee that expends less than $750,000 from all federal funding sources during the grantees fiscal year is exempt from the Single Audit requirements; however, the grantee must make financial records available for review and can still be audited for just cause by the WTSC or NHTSA.

**WTSC Review:**

The WTSC Finance Director receives and reviews all audits and other financial reports to determine the potential existence of findings that may require corrective action. The Finance Director also views the Single Audit Database maintained on line by the Federal Audit Clearinghouse to determine whether audits for any current grantees have been posted.

The WTSC Director will issue a decision on audit findings within six months after receipt of the grantee’s audit report and will ensure that grantees take corrective action in addressing audit findings. If the grantee does not have the ability or is unwilling to perform a required audit, then the WTSC will take appropriate action up to and including appropriate sanctions.

## **Section 10.7 - Fiscal Year Closeout**

**Overview:**

The authority to incur costs under the HSP expires on September 30, the last day of the federal fiscal year. The WTSC is required to submit the final billing to NHTSA by December 31. In order to meet the annual closeout deadline, all final invoices from grantees *must* be received by November 15 and entered for payment into the Washington State accounting system. Any invoices received from grantees after November 15 cannot be processed or approved for payment with federal funding. When final invoices are processed, the WTSC prepares the final federal reimbursement voucher. The actual amount of program funds expended is determined, and non-expended funds are carried forward to the new program year. These funds are then available for expenditure provided the new HSP has identified and programmed these funds. Refer to 23 CFR 1300.41.

Grants funded by state funds close out on June 30 of each year, in alignment with the state fiscal year of July 1 through June 30. Program Managers and Project Managers must be aware of which funding program (state or federal) they are operating under for any particular grant.

In addition, final determination of the amount of federal funds expended for local benefit (40 percent minimum) is made to ensure WTSC is in compliance with 23 CFR 1300 Appendix C - Participation by Political Subdivisions.

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 affect the state’s obligation to return any funds due as a result of later refunds, corrections, or other transactions.

**Penalties:**

The final voucher constitutes the final financial reconciliation for each fiscal year, in accordance with 23 CFR 1300.40. Failure to provide the information specified or meet the deadlines for submission, may result in payment delays or rejection of the voucher. See 23 CFR 1300.33.

**Extensions:**

The NHTSA Regional Administrator may extend the time period for submitting the final voucher no more than 30 days in extraordinary circumstances. If needed, the WTSC shall submit a written request for an extension describing the extraordinary circumstances that necessitate an extension. The approval of an extension will specify the new deadline for submitting the final voucher and must be signed by the Regional Administrator.

**Financial Obligation Closeout Summary:**

The financial obligation closeout is a final accounting of all WTSC expenditures for the year. The financial obligation closeout will include a copy of the final voucher to NHTSA for total expenses incurred. The following information for expenses claimed in each program area will be identified in the final voucher:

* 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, also shown on the March 31 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
* Other specified items, as required

The WTSC Finance Director is responsible for completing the final NHTSA Highway Safety Program Cost Summary and submitting it for signature prior to NHTSA submission.

# ***Chapter 11 - Grant File Maintenance***

## **Section 11.1 - Overview**

Sound fiscal and program management of WTSC traffic safety programs can be verified through the development and maintenance of complete, accurate, and accessible project files. As referenced throughout this manual, the WTSC has developed the *WTSC Enterprise Management System* (WEMS) for grant file management. All projects, both internal and external, will have a project file established and maintained. The WTSC currently maintains paper-based files for grants awarded prior to FFY 2017, a combination paper-based and electronic WEMS file for grants awarded in FFY 2017, and a WEMS electronic file for grants beginning in FFY 2018. In addition, the WTSC establishes a paper-based project file for all grants that cannot or are not filed in the WEMS system for any reason.

**Public Access:**

Almost all file information is a matter of public record. However, proper file management precludes general public access to the grant management files, which may include information of a sensitive nature such as personnel salaries, budget information, and internal correspondence. Access to the grant file will therefore generally be limited to those governmental officials with responsibility for the submission, operation, and close-out of the projects. Information is always available to the public under appropriate public disclosure laws. WEMS allows various levels of authority, which can be tailored for access.

## **Section 11.2 - Grant File Contents**

The contents of the grant file will vary depending on the type of grant agreement. The grant file will generally include some or all of the following:

* Grant proposal
* Signed (or electronically executed) grant agreement
* Signed (or electronically executed) agreement amendments
* A completed Risk Assessment
* A signed GRAF (or electronic equivalent)
* Detailed budget information
* Documents referenced in the grant agreement, such as official resolutions or proclamations of local governing bodies, letters indicating the delegation of signature authority for various project-related reports, etc.
* Applicable correspondence
* Claims/Reimbursement Requests with all supporting documentation
* Quarterly and Final Progress Reports with any applicable supporting documentation
* Site Visit Checklists/Reports
* Uploaded grant monitoring documentation, such as specific requests, approval notices, email correspondence, telephone call synopses, etc.
* Data documentation, such as the number and type of training sessions conducted
* Equipment inventories
* Approval letters regarding equipment over $5,000
* Indirect cost approval letter, if applicable
* Matching fund documentation, if required of grantees
* Other supporting documentation applicable to the grant

## **Section 11.3 - Grant File Closeout**

At the conclusion of each project (normally the end of the federal fiscal year), the WTSC Program Manager will review each assigned project file for completeness, accuracy of filing, and resolution of any pending matters. The Program Manager will complete a File Review Checklist and upload it into the grant file for future reference. The WTSC Program Director will regularly review files to ensure compliance and completeness of files.

# ***Chapter 12 - Annual Report***

## **Section 12.1 - Overview**

The Annual Report describes the accomplishments and challenges of meeting the goals of the HSP. The WTSC submits the Annual Report to the NHTSA Regional Office no later than December 31 each year. The NHTSA Regional Office reviews the Annual Report and provides a written response either accepting or rejecting the Report. The review ensures the WTSC adequately followed specific requirements and procedures in developing the HSP, and compares the Annual Report results to the goals and performance measures in the HSP to measure WTSC performance and progress.

## **Section 12.2 - Annual Report Development Process**

The WTSC Director normally assigns a member of the Legislative and Media Relations staff to compile, edit, and generate the final draft version of the Annual Report. This staff member (usually the WTSC Communications Consultant) is responsible for ensuring he/she is familiar with the content requirements published by NHTSA and other guidance published by the GHSA prior to finalizing the Annual Report. The Communications Consultant should develop a checklist or other means to track the various HSP elements and due dates.

Each Program Manager is responsible to gather data and develop, write, and submit their assigned portions of the Annual Report. Program activities, along with the various quarterly reports and final reports of each applicable grant, form the basis for writing the Annual Report. RADD also has an important responsibility to compile, develop, and write the data-related sections of the Annual Report. The Deputy Director and other Executive Team members also have sections to complete that explain WTSC oversight processes, legislative efforts, and strategic direction.

The Annual Report is compiled by the Communications Consultant and presented to applicable WTSC Executive Team members, as needed, for final review. The WTSC Director reviews and approves the final Annual Report. As noted, the Annual Report must be submitted to NHTSA not later than December 31 each year.

## **Section 12.3 - Annual Report Sections**

In recent years the required elements and submittal instructions for the Highway Safety Plan and the Annual Report have gone through a number of changes, as required by NHTSA. At the WTSC, the entire Executive Team has responsibility for understanding the requirements and ensuring that the documents are developed and presented in a manner acceptable to NHTSA.

Specific guidance for developing the Annual Report is provided by NHTSA and GHSA, based on the most recent federal law and requirements. NHTSA and GHSA webinars and guidance are useful to ensure all Annual Report requirements are met. Further guidance can be found in the *NHTSA Resources Guide* at <https://www.nhtsa.gov/highway-safety-grants-program/resources-guide>.

## **Section 12.4 - Annual Report Development Calendar**

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| Timeline and Date Due | Activity | Responsible WTSC Staff |
| Throughout Fiscal Year(October - September) | * Review Progress Reports, Site Visit Reports, and other documents to identify grant-funded project progress, highlights, accomplishments, and shortcomings to develop a thorough summary of the project for the Annual Report
* Review program-specific Business Plans and progress to develop a summary of program-level activities
* Identify significant legislative and rules changes

  | Program Managers |
| September - October | * Develop the Annual Review development process
 | Communications Consultant (or assigned person) |
| September - November | * Develop crash data and trends
* Analyze performance goals and trends
 | Research Director and Staff |
| October – November(Usually a specific assigned Due Date) | * Complete all grant/project summaries and program-specific reports, with documentation, photos, graphics, etc.
 | Program Managers |
| December 15 | * Produce final financial obligation closeout
 | Finance Director |
| December 15 | * Finalize assembly of all Annual Report components for final review and approval by the WTSC Director
 | Communications Consultant (or assigned person) |
| December 31 | * Deadline to submit the Annual Report to the NHTSA Regional Administrator
 | WTSC Director |