

CHAPTER 9

FEDERAL GRANTS/OFFICE OF TRAFFIC SAFETY GRANTS PURCHASES

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CHAPTER 9

FEDERAL GRANTS/OFFICE OF TRAFFIC SAFETY GRANTS PURCHASES

1. PURPOSE. This chapter provides instructions for the acquisition, identification, accountability, repair, and disposition of federally funded supplies and/or equipment.
2. GENERAL. Assistant Commissioner, Staff, is responsible for the overall administration of the departmental Grants Program. For Office of Traffic Safety (OTS) grants, Special Projects Section, Grants Management Unit (SPS GMU) coordinates the development and administration of grants with the commands involved and with the federal funding agencies. Refer to General Order 40.6, Departmental Grants Program (Office of Traffic Safety Grants Only) for procedures on requesting an OTS grant.
3. POLICY. The original grant approved by the federal funding agency lists items for which purchase has been authorized. Prior to the expenditure or obligation of grant funds, with the exception of authorized personnel costs, the Operational Command Project Coordinator (OCPC) will obtain Federal Project Coordinator or SPS GMU approval. Items not authorized for purchase in the original grant must be submitted to the Federal Project Coordinator or SPS GMU for federal funding agency approval. Upon receipt of approval, the Project Director or Grant Director will notify all parties concerned.
4. DEFINITIONS.
 - a. Project Director or Grant Director. The Project Director is the Executive Assistant to the Assistant Commissioner, Staff, unless otherwise specified in the grant. For OTS grants, the Grant Director is designated by the Assistant Commissioner, Staff, and is generally the commander of Enforcement and Planning Division. The Project Director or Grant Director is responsible for the overall administration of the grant in accordance with the terms of the grant agreement.
 - b. Federal Project Coordinator or Special Projects Section Grants Management Unit. The Federal Project Coordinator is the individual who is responsible for grant administration and is liaison to the Project Director. For OTS grants, GMU coordinates the administration and management of OTS grants, and ensures the Grant Director is provided with appropriate oversight of grant activities.
 - c. Operational Command Project Coordinator. The OCPC is the individual in the Division, Area, Section or Headquarters office responsible for overall project accomplishment as specified within the grant project agreement.

- d. Accounts Receivable 2 Unit. The Accounts Receivable 2 (AR2) Unit within Fiscal Management Section (FMS) is responsible for identifying and verifying expenditures, issuing federal equipment decals (asset numbered tags), and processing project claim invoices.
- e. Business Services Section. The Business Services Section (BSS) includes Purchasing Services Unit, Supply Services Unit and Contract Management Unit. These units are responsible for purchasing, contracting, distributing and disposing of federally funded equipment.
- f. Federally Funded Equipment. Federally funded equipment consists of all major, minor, and sensitive equipment which is acquired through federally funded projects. Sensitive equipment is defined as highly desirable minor equipment such as cameras, TV/VCR combinations, fax machines, etc.

5. ACQUISITION OF FEDERALLY FUNDED ITEMS.

a. General Requirements.

- (1) The original grant approved by the federal funding agency lists items for which purchase has been authorized. If an item is needed which was not identified and approved as part of the original grant, the Federal Project Coordinator or SPS GMU must request approval from the federal funding agency to purchase the additional or substitute item. Generally, a formal grant revision is required.
- (2) Federal Project Coordinator or SPS GMU approval shall be obtained prior to expenditure or obligation of grant funds, with the exception of authorized personnel costs. All requisitions will be noted with the date and name of the person giving approval.
- (3) To assist the AR2 Unit in recording expenditures and submitting the proper claims, all paperwork must contain the **complete** grant title and project number which are available from the Federal Project Coordinator or SPS GMU.
- (4) If assistance is needed regarding federal grant purchases, contact the Federal Project Coordinator or SPS GMU.

b. Purchasing Methods.

- (1) Equipment. Federally approved equipment purchases must be ordered with a Purchase Requisition according to general guidelines in Chapter 7, Purchases, of this manual. Requisitions are approved by the Federal Project Coordinator or grant Office of Primary Interest before they are processed by

BSS, Purchasing Services Unit. Purchase Requisitions are created in the Financial Information System for California (Fi\$Cal), accessed via the CHP Intranet site:
[https://chp2go.sharepoint.com/sites/Starpoint/Resources/SitePages/Fi\\$Cal-Resources.aspx](https://chp2go.sharepoint.com/sites/Starpoint/Resources/SitePages/Fi$Cal-Resources.aspx) or Resources/Fi\$Cal and Requisitions/Fi\$Cal Resources/Instructions.

(2) Supplies. Supply items/materials necessary for implementation of grant projects may be procured by utilizing the Fi\$Cal Requisition process. If these supplies are to be charged to the grant, prior approval from the Federal Project Coordinator or SPS GMU shall be obtained, documented, and verified in the same manner as specified for the purchase of equipment.

(3) Petty Cash. If items are back-ordered, critical to operations, or purchases up to \$50.00 (minor purchases) excluding tax, petty cash may be utilized. See Chapter 2, Petty Cash and Change Fund, of this manual.

(4) Services. Federal grant projects which require contract services such as billboard signs, public service announcements, aircraft equipment maintenance agreements, etc., are governed by instructions in Highway Patrol Manual 11.1, Administrative Procedures Manual, Chapter 22, Service Agreements/Letters of Agreement. In addition, the Federal Project Coordinator or SPS GMU must obtain federal funding approval of the written contract before it can be executed.

6. IDENTIFICATION OF EQUIPMENT. All federally funded equipment with a purchase price of \$5,000.00 or above (major equipment), including tax, must be identified with a red-bordered "federally funded" decal which is assigned an "X" series tag number. The AR2 Unit will send the OCPC the appropriate decals and a copy of the purchase document which is also used to acknowledge receipt of the purchased equipment. Decals for all computer equipment are sent to Information Management Division (IMD) Information Technology Section (ITS) Warehouse, which will in turn forward the equipment to OCPC. The OCPC (or IMD ITS) will complete the receipt information on the purchase document and forward it to FMS, Accounts Payable Unit. Decals must be affixed to equipment in plain view, except in cases where prior permission is given by the Project Director or Grant Director. Vehicles, and other items to which decals cannot be attached, are controlled by their serial numbers. If required by the federal funding agency, a Depreciable Property Agreement (DPA) will be prepared by Grants Management Unit listing the date received, equipment description, and total amount of federal funds used in the purchase. The DPA will be attached to the project claim invoice which requests reimbursement for the purchased equipment. All federally funded equipment with a purchase price, including tax, of less than \$5,000.00 (minor equipment) must be identified with a silver California Highway Patrol

departmental numbered decal, issued by the AR2 Unit. Minor equipment will be assigned a "G" series tag number beginning July 1, 2020.

7. ACCOUNTABILITY. The Project Director or Grant Director has primary responsibility for accountability of federally funded equipment.

8. INVENTORY CONTROL.

a. Operational Commands. Operational commands responsible for federally funded equipment must maintain an up-to-date, separate inventory listing of the equipment. For major equipment, this listing is designated with an "X" numbered tag. The AR2 Unit also maintains a complete listing of equipment by grant including description, serial/tag number, acquisition date and cost, purchase source, and final disposition of property.

b. Departmental Property Inspector. At the time the departmental Property Inspector (PI) conducts a scheduled audit, a printout consisting of CHP and federally funded equipment is sent to the operational command (refer to Chapter 8, Equipment, paragraph 14.i, of this manual). The command should account for all federally funded items listed. The PI will physically inventory this equipment on a random basis and report any discrepancies, through appropriate channels, for necessary action. Property inventory, including discrepancies and missing equipment, is listed on the CHP 24, Physical Inventory Adjustment Request.

c. California Office of Traffic Safety. The Office of Traffic Safety requires an annual evaluation of federally funded equipment with an original cost of \$5,000.00 or more. Certification of grants-funded major equipment is coordinated between OTS and SPS GMU, via the OTS Grant Electronic Management System software program utilized by the SPS GMU.

9. REPAIRS TO EQUIPMENT. Repairs or service to all federally funded equipment will be at state expense unless otherwise stipulated in the federal grant guidelines. If the equipment requires repair or service, field commands should contact the Division "X" Number Coordinator for issuance of an "X" Number; headquarters should contact BSS, Contract Management Unit. It is not necessary to notify the Project Director or Grant Director of any equipment repair or service unless instructed otherwise.

10. DISPOSITION OF EQUIPMENT.

a. Transfer. The CHP 266, Credit Memo-Equipment, shall be prepared in triplicate by the Operational Command for all transfers of federally funded

equipment. Distribution is as follows: Original to Inventory Control Unit (ICU) in Administrative Services Division (ASD); copy to receiving location; and copy to remain at originating location.

b. Standard Disposal of Federally Funded Equipment. After the federal project is completed and the property purchased has exceeded its normal life expectancy, the operational command will either:

(1) Maintain the federally funded equipment for future use by the Department;
or

(2) Send the equipment with a CHP 266 to Supply Services Unit. Supply Services Unit will contact AR2 Unit for approval of surveyed equipment. A copy of the CHP 266 is sent by Supply Services Unit to ICU for preparation of a STD. 152, Property Survey Report, to delete the federally funded equipment from departmental records. The AR2 Unit will note the change in their federal property record system.

11. LOST, STOLEN, DAMAGED, OR DESTROYED EQUIPMENT

12. RECORDS RETENTION. Records for property acquired wholly or in part with federal grant funds shall be retained by the AR2 Unit for three years after final disposition of the property, or final payment under the project, whichever is later.

13. MAINTAINING FEDERAL PROPERTY AFTER COMPLETION OF GRANT. After the federal project is completed, the property will be maintained as federally funded equipment until such time as the Project Director/Grant Director is notified that the accountability to the federal government has ceased. Disposition of the equipment will be made in accordance with paragraph 10. of this chapter.

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