

1. Reimbursement, or “How Do I Get the Grant Money?”

Reimbursement in 8 Easy Steps

Step 1: Receive the signed contract.

Along with (1) a copy of the signed contract, you will also receive (2) a “Notice to Proceed” that indicates that you may begin your grant activity, (3) a copy of this workbook, *I Just Received a TERP Grant—Now What? For 2015 ERIG and Rebate Grants* (Publication RG-464), and (4) a set of the current “Request for Reimbursement” forms.

Step 2: Go shopping! Find the equipment you want to buy.

If you buy the equipment identified in your contract, proceed to Step 3. If the equipment you want to buy is different from what is identified in your contract, contact your grant manager at 800-919-TERP (8377). The different equipment may cause your grant amount to change or may not work for your grant.

Step 3: Fill out the “Request for Reimbursement” forms.

(See the “Forms” subsection, immediately below, under “Reimbursement: Common Issues,” in this workbook.)

Step 4: Take the appropriate color photographs of your new equipment.

(You must provide color photos that clearly show the entire new vehicle or piece of equipment that you purchased. Include pictures that show all of the following for the vehicle or equipment: the front, the back, each side, and the engine plate showing the engine-family code.)

Step 5: Send in each of the following items to us (the TCEQ):

- A. The completed “Request for Reimbursement” forms (from Step 3).
- B. The color pictures of the new equipment (from Step 4).
- C. A copy of the invoice or bill of sale for your new equipment.
- D. A copy of the proof of payment and/or copy of the executed finance, loan, or lease agreement, including all of the following (as applicable):
 - i. an executed copy of the finance, loan, or lease agreement
 - ii. a copy of any cashier’s checks
 - iii. a copy of each canceled check—both front and back
 - iv. a copy of any wire transfers

Mail these items to:

For express delivery (i.e., UPS, FedEx, DHL)

TERP Reimbursement
Implementation Grants Section, MC 204
Air Quality Division
Texas Commission on Environmental Quality
12100 Park 35 Circle
Austin, TX 78753

For standard mail

TERP Reimbursement
Implementation Grants Section, MC 204
Air Quality Division
Texas Commission on Environmental Quality
P.O. Box 1387
Austin, TX 78711-3087

Step 6: We, the TCEQ, will review all of the submitted materials. We will mail the check within 30 to 45 days from the date that we receive **and approve all** of the “Request for Reimbursement” forms and required photographs and supporting documentation. (We will contact you if any information is missing or incomplete.)

Step 7: Receive your reimbursement check!

Step 8: Dispose of your “old” equipment.
(See the next chapter, “Disposition.”)

Note: The above “Reimbursement in 8 Easy Steps” is intended as a basic summary. Additional information regarding each of these steps appears throughout this chapter.

Reimbursement: Common Issues

Forms

Where do I get the reimbursement forms?

We will mail you a copy of the forms along with a copy of the signed contract, the “Notice to Proceed” letter, and a copy of this workbook. You can also get the forms online at <www.terpgrants.org>.

Which forms do I complete if I paid cash for the new equipment and should receive the reimbursement check made out to me directly?

- Form 1: Request for Reimbursement
- Form 2a: Detailed Expense Summary
- In addition to all of the other required supporting documentation

Which forms do I complete if I am assigning payment to a third party (meaning you did NOT pay cash and are financing all or part of the purchase of the new equipment)?

- Form 1: Request for Reimbursement
- Form 2a: Detailed Expense Summary
- Form AP-152: Texas Application for Payee Identification Number
- In addition to all of the other required supporting documentation

Where do I submit my completed original “Request for Reimbursement” packet?

- *Mailing address for express delivery (i.e., UPS, FedEx, DHL)*
TERP Reimbursement
Implementation Grants Section, MC 204
Air Quality Division
Texas Commission on Environmental Quality
12100 Park 35 Circle
Austin, TX 78753
- *Mailing address for standard mail*
TERP Reimbursement
Implementation Grants Section, MC 204
Air Quality Division
Texas Commission on Environmental Quality
P.O. Box 1387
Austin, TX 78711-3087

Can I fax or e-mail my “Request for Reimbursement” forms?

No. We need to receive the original signed copies of the forms; therefore, you must mail or hand-deliver all the reimbursement requests.

Who signs Form AP-152 (Texas Application for Payee Identification Number)?

The grantee (on line 14).

Do I complete *Form 2a: Detailed Expense Summary* using the numbers found in my contract?

No. The numbers you use on the form should be the actual costs of the equipment you are buying, and the specific information related to the actual equipment purchased. Look on your invoice, bill of sale, sales contract, buyer's order, etc., for the correct numbers and information.

How do I determine the service date on *Form 2a: Detailed Expense Summary*?

The service date is the date that you actually started using the new equipment. If you are not currently using the equipment, then report the date you expect to start using the equipment.

If I am installing a GPS system on my truck, where do I record the cost?

The installation costs only should be listed under "Other / GPS" in the "Incremental-Cost Calculation" section on *Form 2a: Detailed Expense Summary*.

Are document fees an eligible cost?

Yes and no. No document fees are allowable if any financing—including a loan or a lease—is used for any portion of the purchase of the equipment. If the equipment is purchased as a full cash deal and no financing or lease of any type is involved, then document fees are allowable.

Payment**When do I receive payment?**

We, TERP, mail checks 30 to 45 days from the date that we receive **and approve all** of the "Request for Reimbursement" forms, required photographs, and supporting documentation.

Who will the reimbursement check be made out to?

You may receive the reimbursement check made out to you directly **only** if you pay cash for the new equipment when you buy it. If you do not pay cash for the full amount of the new equipment but instead use any form of financing or lease, then the reimbursement check must be made out to and sent directly to the financing or leasing company. This is called *assigning payment*.

Does the financing have to be settled before reimbursement is made?

Yes. Financing for the entire balance owed needs to be in place before we will reimburse you.

When can I receive payment directly?

As stated above, when you have paid "cash" for the equipment, i.e. paid with your own money.

Do I have to assign my payment to the dealership or finance company?

If you did not pay cash in full for the new equipment and financed or leased any portion of the the purchase, you must assign payment to the dealership, bank, or finance or lease company that actually paid for the equipment.

How do I assign my payment to the dealership or finance company?

By completing the “Assignee/Business Receiving Payment” section of *Form 1: Request for Reimbursement* and the “Payee Information” section on Form AP-152 (*Texas Application for Payee Identification Number*).

How do I find out if my grant check has been mailed?

You may call the TERP hotline at 800-919-TERP (8377) to check the status of your reimbursement check.

Are the reimbursement checks mailed by standard mail or overnight mail?

We mail all reimbursement checks using standard mail only.

Do I have to dispose of my old equipment before I can receive reimbursement?

No. TERP provides 90 days from the date the check is mailed to dispose of the old equipment and send in the disposition form and pictures.

What do I do after payment is received?

Once payment is received by you, the dealership, the bank, or the finance or lease company, proceed to the disposition phase of the process. (See the next chapter, “Disposition, or How Do I Properly Destroy the Old Equipment?”)

Common mistakes that will delay you from receiving your check!

- Submitting incomplete or incorrect forms. Your check cannot be sent until all the forms are complete, accurate, and approved.
- Not using a black or blue pen! No other color of ink should be used to complete any of the forms.
- Not signing your forms. This is one of the most common mistakes! Also, make sure that all signatures are in blue ink.
- Not providing **all** of the required supporting documentation, such as the color pictures of your new equipment, proof of payment, and copies of the executed finance agreement or lease agreement, etc.

Buying Your Equipment**Do I have to buy the same equipment that is in my contract?**

No. In some cases, you may buy a different make or model. However, it is important to make sure the equipment you want to buy will work for your

grant. Before you purchase the equipment, contact your grant manager at 800-919-TERP (8377) to verify that the equipment is okay for your grant.

What do I do if I want to buy equipment that is different from what is identified in my contract?

The new equipment must be approved by us, the TCEQ, so contact your grant manager, at 800-919-TERP (8377), **before you buy it!** Understand that if you buy a piece of equipment that is different from what is identified in your contract, there are three possible outcomes. You may:

- (a) receive less money than the original grant amount, or
- (b) receive the same money as the original grant amount, or
- (c) receive no money at all, if the equipment does not qualify.

Do I have to buy the equipment from the dealer that I received the quote from?

No. You can buy the equipment from another place, but again, you must be sure that the equipment is eligible for a grant. Call your grant manager, at 800-919-TERP (8377), **before** making the purchase to verify that the equipment meets your grant requirements.

If I buy cheaper equipment, will I get the same grant amount?

No. The grant program will reimburse no more than 80 percent of the incremental cost of the equipment.

If I buy equipment that costs more, can I get a higher grant amount?

No. The grant amount originally awarded is the maximum amount you can receive.

If I buy newer equipment than what is listed in my contract, can I get a higher grant amount?

No. The grant amount originally awarded is the maximum amount you can receive.

I have multiple activities on my contract. Do I have to do all the activities at the same time?

No. You can buy the equipment for one activity and submit the “Request for Reimbursement” forms for it. At a later time, you can buy the equipment for the other activity or activities and submit the “Request for Reimbursement” forms for those activities. Please be aware of the funding deadline as identified in your contract. **All** purchases must be completed by this date.

Fulfilling Contract Requirements

You must remember that **you** are responsible and accountable for abiding by and fulfilling the contract. Even if the dealer or some other entity assists with

all or part of the paperwork, the *contract* is with *you—the grantee*—and you are solely responsible for meeting and fulfilling all contract requirements.

Other Reimbursement Information

What type of supporting documentation must I submit along with my completed forms?

- A signed copy of an invoice, bill of sale, or purchase order.
- Proof of payment (i.e., copies of cashier's checks; canceled checks—front and back; a copy of the executed finance, loan, or lease agreement; copies of wire transfers, etc.; see more information below).
- The required five color photos of your new vehicle or equipment.

Why does TERP need copies of proof of payment?

The TCEQ must ensure that all equipment costs have been paid in full before we can make reimbursement.

What documents are acceptable as proof of payment?

- Copy of cashier's checks
- Copy of canceled checks—both front and back
- Copy of wire transfers
- Copy of the executed finance, loan, or lease agreement
- Bank reconciliation statements to support cash payments made
- Other forms of payment documentation may be acceptable; please call 800-919-TERP (8377) and discuss options with someone in our finance department.

What is a copy of the canceled check?

A copy of the canceled check is a copy of **both** the front and the back of the check once it has cleared the bank. You can get a copy of the canceled check from your bank if you do not already have it.

What is the TERP "80% Rule"?

On all activities, TERP will not reimburse more than 80 percent of the equipment's incremental cost.

Does the 80% Rule apply to replacement and repower activities?

Yes. TERP will not pay more than 80 percent of the incremental cost of the vehicle or equipment on either replacement or repower activities.

Engine-Family Code

What is the engine-family code (EFC) or engine test group?

The Engine-Family Code (EFC) is a 12-digit alphanumeric code that tells us the engine's NO_x emissions level.

Where is the engine-family code found?

Generally, on the engine serial plate.

What does an engine-family code look like?

Here are two examples: *7CEXH0912XAM* or *ECEXH0729XBA*.

Managing Your Contract and Your Contact Information

How do I make a change to my contract?

Any change or revision to your contract **after** it has been printed requires an amendment to the contract. Whenever an amendment is needed, contact your grant manager at 800-919-TERP (8377).

How do I change my contact information?

At **any** time if **any** of your contact information changes, you **must** provide the updated information to your grant manager immediately, by one of the following methods:

- Main local telephone: 512-239-4950
- Toll-free telephone: 800-919-TERP (8377)
- E-mail: terp@tceq.texas.gov

Examples of information that needs to remain current with the TCEQ at all times:

- physical address
- mailing address
- phone numbers
- fax number
- e-mail address
- company employee changes if the employee was identified in the contract