

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

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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” letter that indicates that you may begin your grant activity, (3) a copy of this workbook, *I Just Received a TERP Grant – Now What?* (Publication RG-464A), and (4) a copy of the *Grant Forms and Instructions* workbook (RG-464B).

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. The different equipment may cause your grant amount to change or may not work for your grant. Your grant manager can be contacted at 800-919-TERP (8377).

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. Provide pictures that show all of the following for the vehicle or equipment: the front, each side, and the back.)

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 or other finance papers, including all of the following (as available):
 - i. the finance agreement
 - ii. a copy of the cashier’s check
 - iii. a copy of the cancelled check(s)
 - 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 all the complete reimbursement forms and 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 is provided throughout this chapter.

Reimbursement: Common Issues

Forms

Where do I get the reimbursement forms?

We will mail you a copy of the *Grant Forms and Instructions* workbook (RG-464B), 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 2: Detailed Expense Summary

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

- Form 1: Request for Reimbursement
- Form 2: Detailed Expense Summary
- Form AP-152 (Texas Application for Payee Identification Number)

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*)?

You! (Additional information is provided in the *Grant Forms and Instructions* workbook [RG-464B].)

Do I complete *Form 2: 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. 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 2: 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 2: Detailed Expense Summary*.

Are document fees an eligible cost?

Yes and No. Any document fees related to *financing* the equipment are not reimbursable costs. However, any document fees related to **buying** the equipment are reimbursable costs.

Payment**When do I receive payment?**

We, TERP, mail checks 30 to 45 days from the date that we receive AND approve the "Request for Reimbursement" forms and photographs.

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 financing (e.g., from your bank, the dealer, etc.), then the reimbursement check must be made out to and sent directly to them. This is called *assigning payment*.

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

Yes. Financing for the balance owed needs to be in place before we will provide reimbursement.

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 for the new equipment and financed the purchase with a loan or some other financial assistance, you must assign payment to the dealership, bank, or finance 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, or the bank or finance 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. If you attempt to fill out the forms quickly without reading each question carefully, you will likely make mistakes. Mistakes require one of our TERP staff members to contact you in order to verify and correct the information. This takes time! Your check cannot be sent until all the forms are complete and accurate.
- 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!
- Not providing **all** of the required supporting documentation, such as the color pictures of your new equipment, proof of payment, and copies of the finance agreement, 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 equipment cost.

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.

Buyer Beware!

You must remember that **you** are responsible and accountable for abiding by and fulfilling a contract once it is signed! Keep in mind that the first line of defense in order to avoid a “bad deal” is understanding your contract and common sense. Here are some hints and things to consider:

- Be sure to completely read and fully understand your contract **before** you sign it, and this includes the “fine print”!
- Failure to read a contract is never a valid reason to get out of it or ignore the requirements.
- Don't trust the equipment dealer to tell you what it means. Even if their intentions are honorable, they could be mistaken themselves.
- Be suspicious and always question if someone urges you to “never mind—it's not important.” If this happens, ask the person: “If it's not important, is it okay to cross it out?”
- Take the time to sit down and carefully review the contract and all the forms. Take notes and highlight the parts that you do not understand. Then ask someone you trust what it means.
- Signing any paper or document—including contracts—that contains any empty boxes or blank spaces, is just like signing a blank check!
 - ◆ Such a paper or document can be easily altered by anyone, and because it has your signature, **you** will be responsible!
 - ◆ Make sure that all blanks are filled in and completed: with specific data, words, “N/A,” or straight lines to indicate that the blank or empty space is intended and that nothing is meant to go there.
- Be sure to include the date every time you sign your name or your initials.
- Always insist on obtaining your own copy that includes the signature of the other party.

These ideas provide the basic guidelines to **always** follow, especially whenever money is involved. Remember, make sure you read and understand everything before signing or initialing anything!

Other Reimbursement Information

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

- A copy of an invoice, bill of sale, or purchase order.
- Proof of Payment documentation (i.e., copies of cashier's checks, canceled checks, the finance agreement, or wire transfers; see more information below).
- The color photos of your new vehicle or equipment.

Why does TERP need copies of Proof of Payment documentation?

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
- Copy of wire transfers
- Copy of the finance agreement
- Bank reconciliation statements
- 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 or engine test group?**

The engine-family code is a 12-digit alphanumeric code that tells us the engine's NO_x emissions level.

Where is the engine-family code found?

The engine-family code is generally found on the engine serial plate.

What format is the engine-family code in?

The format for the engine-family code is:

- One number or letter—the engine's manufacture year.
- Three letters—the EPA's manufacturer code.
- One letter—the engine family.

- Four numbers—the engine displacement in liters.
- Three numbers and/or letters—a code assigned by the engine's manufacturer.

What does an engine-family code look like?

Here is an example of an engine-family code: 7CEXH0912XAM

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 signed requires an amendment to the contract. Whenever an amendment is needed:

- It has to be prepared by your contract manager.
- Once prepared, original copies will be sent to you for review and signatures. Once you sign them, you must send both copies back to your contract manager.
- Once your contract manager receives them, they will be signed by the TCEQ and we will return a copy to you for your records.

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.state.tx.us

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

- physical address
- mailing address
- phone number
- fax number
- e-mail address
- company employee changes

