

How to Prepare a Clean Fleets Invoice

Once the Clean Vehicles/Clean School Bus (“Clean Fleets”) application has been approved and a contract has been signed by all parties, the contractor may begin purchasing equipment. To submit a Clean Fleets invoice, the contractor must complete the following:

For replacement and repower projects:

1. Order, purchase, and take delivery of new engine(s) or vehicle(s).
2. Have contracted engine(s) destroyed according to program guidelines at:

<http://www.houston-cleancities.org/documents.html>.

3. Prepare an invoice packet to be reimbursed

For retrofit projects:

1. Order, purchase, and install new equipment on contracted vehicle engine(s).
2. Prepare an invoice pack to be reimbursed

Adhering to instructions below will ensure that invoices will be submitted correctly and ensure you receive your reimbursement as soon as possible.

1. Order, purchase, and take delivery of the new engine or equipment.

- a. The truck engine or equipment purchased must be *the exact same specs* as the engine/equipment listed on the grant application: same NOx rating, year, make, model, GVW, capacity, etc.

In the event that the engine or equipment purchases need to change from what is in the contract, a full reanalysis of the application will be performed, and this may result in a delay of payment and/or a forfeiture of some or all previously awarded grant funding. ***Any changes should be approved by H-GAC prior to order or purchase*** so that a proper change order can be executed. H-GAC is under no obligation to reimburse contractors for purchases of engines/equipment that were not previously approved.

2. For Replacements/Repowers: Destroy contracted engine in accordance with program guidelines

- a. Check and double-check that the engine serial numbers on the contract Project Specification sheet match the serial numbers of the engine being destroyed.
- b. Engine destruction must be done by an approved salvage vendor listed on the Engine Destruction Vendor List which can be found at: <http://www.houston-cleancities.org/documents.html>. All vendors should comply with the Engine Destruction Minimum Guidelines also available at the above website.

Serial numbers on the Project Specification sheet are taken directly from the Clean Fleet application, so it is important to clearly and correctly identify the engine serial number and the vehicle associated with it in the application.

It is the contractor's responsibility to have the correct engine destroyed. The correct engine will be the exact engine detailed in the application, analysis, and contract Project Specification sheet. If the engine to be destroyed is not the engine contracted for, approval is required from H-GAC to continue destruction or to receive any funding.

3. Prepare an Invoice Packet

a. Invoice packet requires:

- i. Manufacturer's Invoice
- ii. Proof of payment
- iii. Engine Destruction Documents (If applicable)
- iv. H-GAC Transportation Program Financial Report (Invoice)

b. A **manufacturer's invoice** should be provided by manufacturer. It should have:

- i. New/retrofitted engine serial number,
- ii. New/retrofitted vehicle VIN,
- iii. Total cost of the vehicle (if applicable) and the engine/retrofit cost listed separately.
- iv. The date of invoice payment must be within the contracted time period listed in the contract.

c. **Proof of payment** verifies that the grant funds are being used for an engine/retrofit that has been purchased, or is being financed, by the contractor. Proof of payment may be:

1. a copy of the cancelled check used for the purchase,
2. a wire transfer record, or
3. finance documents.

ii. If an engine/retrofit is to be financed, you will need:

1. An **Assignment of Proceeds** or "Third-Party Agreement", a contract agreement between the H-GAC, the contractor, and a lender that finances a contractor's engine purchase. This agreement will allow the reimbursement funds to be payable to the contractor and the financing agency.
2. Finance documents and proof of an initial payment are required as proof of payment.
3. An Assignment of Proceeds must be signed by all three parties before the invoice is processed.

d. **Engine destruction documents (If applicable)** are the documents (photos and vendor certification form) produced by the approved salvage vendor when the vendor destroys engine(s) for the program. Again, approved vendors and engine destruction guidelines can be found at <http://www.houston-cleancities.org/documents.html>. If you would like to use a salvage vendor that is not on the approved vendor list, the proposed vendor must

submit an Engine Destruction Vendor Application and submit it for H-GAC’s review and approval. Approval is based on necessary salvage and disposal certification and licensing and ability to adhere to H-GAC requirements. Vendors will submit the engine destruction documentation packet to H-GAC program staff directly to be included in the invoice package.

- e. A sample H-GAC **Transportation Program Financial Report** can be found in the back of your contract. A generic, electronic version can be found at: <http://www.houston-cleancities.org/documents.html>. Refer to the table below to complete the necessary columns correctly. If you have trouble, please email: CleanVehicles@h-gac.com or call: 713-993-2488 for assistance.

Table 1. Section of Invoice Billing Statement to be completed by Clean Fleets Contractors

Short Name: Clean Cities/Clean Vehicles	Report No:	#
	Period	
Cost Category	Budget	Expenditures
<i>Total Project Cost (TPC)</i>	TPC (LISTED IN CONTRACT)	CURRENT COST OF PARTICULAR ENGINES BEING INVOICED
<i>Reimbursement PERCENT OF TPC %</i>	LISTED IN CONTRACT	TOTAL FUNDING VALUE
<i>Less Salvage</i>		(\$ TOTAL SALVAGE VALUE)
TOTAL CASH REQUEST (TCR)	LISTED IN CONTRACT	\$ TOTAL FUNDING VALUE MINUS TOTAL SALVAGE VALUE
Match		
<i>Local Match PERCENT OF TPC %</i>	LISTED IN CONTRACT	\$ CURRENT TPC MINUS TCR

Funding information input on Transportation Program Financial Report should be identical to that on the contract Project Specification sheet (ie. Total Project Cost, reimbursement percent and reimbursement value).

If the contractor has received payment for the salvage of the engine, that value must be deducted from the total funding value in accordance with the contract. The reimbursement and local match percentages added together should equal 100%.

Please try to complete all steps within a single month. While we understand that circumstances do not always allow for this, it streamlines the reimbursement process.