

Volkswagen Environmental Mitigation Trust Bus Replacement Program Frequently Asked Questions (FAQs)

[UPDATED 09/06/18]

ELIGIBILITY AND REQUIREMENTS

1. **If a school system *feels* they qualify to be included on the list but are not – is there any appeal process to qualify/get added?**

The initial school system list came from the Arizona Department of Education’s most current list of Title 1 school systems for the FY17/18 school year. While there is not a formal appeal process, a school system who believes that they qualified and were left off the list should go ahead and submit an application and provide documentation of them meeting the 60% Free and Reduced Lunch requirement.

2. **When will the school systems be notified regarding the number of buses they are eligible to receive? Is there a list?**

GFR is not publishing a list of eligible schools or number of buses. GFR encourages any school system that believes it meets the eligibility criteria to submit an application. They should know if they were Title 1 for last school year and how many buses in their fleets that are eligible

3. **Can school systems auction or sell their buses that are being replaced with funding from the Volkswagen Environmental Mitigation Trust?**

*NO! The Trust agreement requires that the buses being replaced are scrapped and the process documented. This Trust is supporting an effort to reduce NOx pollutants, so the old buses must be rendered inoperable. **If a school system auctions, sells or disposes of the vehicle other than the method required by the GFR and documented in the grant agreement, the replacement vehicle will not be eligible for reimbursement under this program.***

4. **How does the school system properly dispose of the vehicle?**

The Trust defines this process: “Scrapped” shall mean to render inoperable and available for recycle, and, at a minimum, to specifically cut a 3-inch hole in the engine block for all engines. If any Eligible Vehicle will be replaced as part of an eligible project, Scrapped shall also include the disabling of the chassis by cutting the vehicle’s frame rails completely in half.” The Office of Grants and Federal Resources (GFR), which is administering the grant funding for this program, is recommending that school systems include scrapping in the transaction to replace the bus. The school

bus vendors will develop a method to scrap the bus and properly document the process for the school systems. If a school system decides to handle the scrapping process themselves, they will be required to provide the VIN and photographic documentation to the GFR as outlined in the grant agreement.

- 5. Does the bus have to be delivered by June 30, 2020 or just a purchase order submitted by school by then?**

The bus does not need to be delivered by 6/30/2020, but through purchase order or other mechanism the money must be obligated.

- 6. Does a school system have to own a used bus that qualifies for a certain amount of time?**

Unlike other similar programs, there is no annual mileage requirement or length-of-time ownership requirement for the bus to be replaced.

- 7. Is the 15-year time frame based on when the bus was delivered (“in service date”), the model year, or the “date of manufacture” listed on the identification plate on the inside of the bus?**

The 15-year time frame is based on the bus model year.

- 8. We have a list of school systems – but not a list of buses eligible for replacement per school system (which is critical); is this available?**

School systems may apply for up to 10% of their total fleet. As fleet data changes rapidly, GFR does not want to use a static list or outdated information. School systems that believe they meet the eligibility should provide data to support their request up to 10% of their total bus fleet.

- 9. Do used buses qualify for the replacement if they are 2010 (DEF/SCR Emissions/Clean Diesel) or later?**

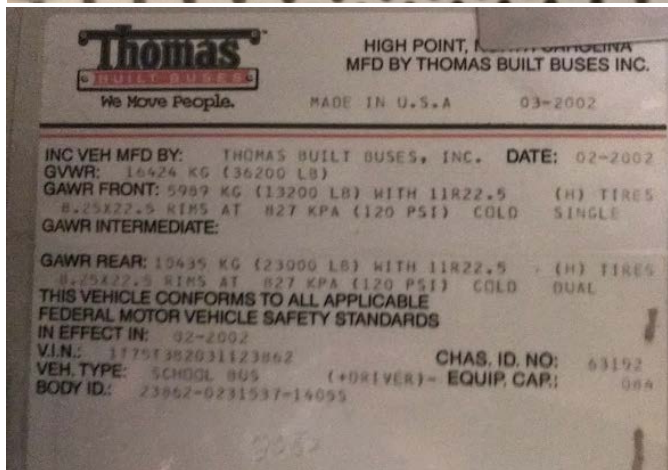
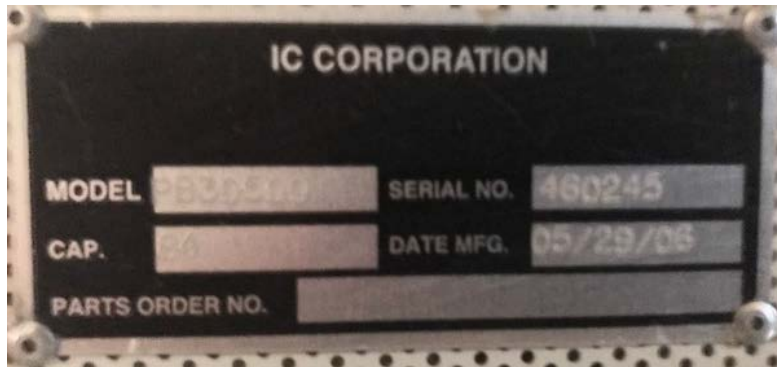
Any modifications that have been made to the bus do not alter the eligibility requirement of 15 years or older and 100,000+ miles.

- 10. Are there any limitations on what equipment is added to a bus (camera systems, two-way radios, air conditioning, etc.)?**

School systems are free to order any configuration of bus they wish but the amount eligible for reimbursement does not change. The school system will be required to pay for any cost above and beyond the \$110K (new diesel) or \$135K (alt fuel) allocations.

- 11. Is there any leeway on age/mileage requirement (i.e. if a school has a 12-year old bus with 200K miles, could it be considered?)**

The only leeway on mileage is when it has to meet this criteria, which is by 6/30/2020. The bus manufacture year must be 2003 or older (see the manufacture body/ID tag examples below to locate the manufacture year). The criteria is not either/or.



12. Are all bus types eligible (MFSAB)?

All bus types except gasoline are eligible.

13. What is the maximum number of buses eligible to be replaced in a fleet?

The maximum number of buses replaced will be limited to 10% of each school systems' bus fleet; the first bus will be rounded up to ensure each school system receives at least one bus.

14. Would there be any exception possible for exporting a bus instead of scrapping?

No, scrapping of the vehicle is non-negotiable and must be implemented according to the guidelines outlined in the Trust.

15. What data set is being used to determine school systems' eligibility in regards to it being Title 1 and bus eligibility?

Initial eligibility for this program was based on data sets provided by Arizona Department of Education (ADE). Therefore, we strongly encourage school systems to submit updated data in their application that validates their eligibility.

16. If a school system falls below the 60% free and reduced lunch requirement (i.e. 54%), should they still apply?

Funding in round 1 is reserved for those school systems that met the 60% criteria during the 2017/2018 school year. GFR anticipates that there could be some funding remaining after the first round and will reallocate those funds for school systems that meet the criteria in October with the next report submission to ADE for the 2018/2019 school year.

17. Can we purchase used buses with these funds?

This can be discussed during the application process specifically if the vehicle supports the overall goal of reducing NOx emissions, such as purchasing a used alternative fuel bus. However, recipients must remember that the allocation is for a single bus and any additional funds will be re-distributed.

18. What is the appeal process for school systems who do not qualify but believe they should be considered for this funding opportunity?

There is no appeal process at this time because no funding has actually been allocated yet. We have taken down the eligibility list and have opened up the application for those school systems that feel they meet the eligibility requirements (or have a compelling argument as to why they should be eligible) to apply for funding. We also anticipate that there could be a second or even third round of funding allocated; therefore, GFR would encourage school systems to submit an application and let the internal review process work through the selection criteria and available funding and see where things end up. We fully understand the impact this funding could have on each school system, as does the Governor's Policy Adviser Dawn Wallace, which is

why GFR has opened up the application process beyond just the preliminary list to make sure we don't inadvertently exclude someone from funding.

APPLICATIONS AND eCIVIS

19. Can you help us with the eCivis training/WebEx timelines?

GFR has scheduled four trainings in Phoenix, Flagstaff, Tucson and Yuma; please see the [list for dates, times and location](#).

20. When will the application open and how will school systems be notified?

The application opened on Monday, Aug. 13 at 8:00 a.m., and each school systems' school facilities board liaison notified each school system of the application opening.

21. How do school systems register for the eCivis grant training for the school bus replacement program? Also, will school systems be responsible for paying for the eCivis user fees?

No need to register for the trainings; just pick out the most convenient one and show up. As far as eCivis, there are no fees for the applicant portal portion. Just click on the "apply" button on the following link and you are good to go:

https://gn.ecivis.com/GO/gn_redir/T/jpxk2q2ult5p

22. Will there be a webinar of the presentation available online for school systems that are unable to attend a training?

Yes, we will record an upcoming training session and have it available on the website.

23. When is the soonest estimated timeframe that school systems will be approved (so we can get purchase orders issued/buses on order; a bus usually takes 6-9 months from purchase order to delivery).

The Office of Grants and federal resources (GFR) began accepting applications on 8/13/2018. GFR expects to make awards beginning Nov. 1, 2018.

24. Why is the application open when we have not received training? Should we begin the application process?

The application was released prior to our initial trainings in order to give applicants the opportunity to form questions based on their review of the application. It's recommended that applicants begin the application process as soon as possible to help prepare them for upcoming trainings and to provide them with ample time to get their questions answered if they are unable to attend.

- 25. How will the applications be processed? Is it on a “first come, first serve” basis? How will school systems on the list be prioritized?**

No, the program is structured to ensure each of the eligible school systems the opportunity to apply with all applications being reviewed at one time. Each school system will receive at least one bus if it meets the eligibility requirements with additional funds allocated until either every applicant receives funding to replace up to 10% of their fleet or all the funding is exhausted, whichever happens first.

- 26. Can vendors/consultants help school systems submit the online application if needed?**

The applications are such that school systems will not need outside assistance with completing and the applications will only be accepted by the Office of Grants and federal Resources (GFR) directly from the school systems.

- 27. Do the customers need to have a quote prior to submitting the application (i.e. they need to enter the purchase price on the application) or do they simply fill out the information on their trade/scrap bus, indicating they would like funding for new bus?**

The school system does not need to have an actual quote before submitting the application. The only information needed concerning the bus to be purchased is will it be diesel or alt-fuel.

OTHER

- 28. How long after the school is invoiced to pay for the bus after delivery will ADOA be disbursing their reimbursement? 30 days from invoice? 60 days from invoice? This will be essential to vendors for accurate bus pricing.**

GFR’s goal is to reimburse school systems within two weeks of receiving all necessary paperwork.

- 29. What will the state do with money that is “leftover?” Can ineligible school systems be considered for funding at that time?**

“Leftover” funding will be redistributed to Title 1 school systems in order to help meet the goal of replacing 10% of their fleet. School systems that do not meet the Title 1 criteria will not be considered at any time due to the limited funds and excess in bus eligibility among Title 1 school systems.

30. Can we issue a purchase order now and place an order for a bus in anticipation of receiving funds later?

The Trust agreement does not have any prohibition on pre-agreement cost, so you are free to move forward with your purchase order as long as you understand that the approval of Arizona's Mitigation Plan is still pending with the Trustee and your future grant application/award is contingent on final determination of eligibility along with successfully providing all of the required documentation

31. If you approve a school system for replacement of three buses but they want to buy six to get a better manufacturer discount – will they need to write two purchase orders or can they apply the eligible reimbursement to one purchase order and independently pay the difference?

It can all be one transaction with the school system paying the difference.

32. Can schools finance the bus and use the allotted funds as a down payment? (If so, the reimbursement schedule is a more critical question).

The funding allocated under this program is to purchase the bus outright and not to finance over time. The school system must possess clean title to the bus.