**Invoice Approval and Payment Process – Template**

Invoices can be accepted and processed after the CO has formally accepted the completed project, and a certificate of completion is signed. Typically, invoices will be processed 30 days after the certificate of completion is signed. It is recommended that a sample invoice and copy of the contract and payment schedule be provided to the offices that verify and pay invoices.

**Invoice Approval and Payment Process  
Template**

Invoice Approval – Payment Process

*Name of Contracting Office / Budget Office*

and

*Name of Site*

Subj: UESC Project Invoice Approval and Payment Process

Encl: (1) Project TO, reference contracting project file location

(2) Sample invoice from utility or from financier if “assignment of claims”

(3) “Assignment of claims” if used

1. Reference presidential memorandum and OMB addendum … agencies shall maximize their use of available alternative financing contracting mechanisms, including UESC, when LCC effective, to reduce energy use and cost in their facilities and operations. The third-party financing is repaid through the energy and water savings projects with a *5 to 10 percent* cushion for variations in the calculated savings – or as requested by *Site Name.*

2. Financed UESC projects shall be limited to those with a positive net present value which qualifies project in enclosure (1). (Depending on prevailing interest rates, this should be a payback of approximately *Insert Payback Period* years.)

3. *Name of Contracting Office* requests the approval of the project listed in enclosure (1) to be financed using a UESC TO award to *Name of Utility*. The project has been verified by *Name of Contracting Office*, *Name of Utility*, and by *Site* staff to ensure that this project meets *Agency / Site* energy/facility goals and economic requirements for UESC including third-party financing as authorized by 42 USC 8256, and further encouraged by *Insert Presidential Memo Title, December 2, 2011)*. Design-build contracts with commissioning and performance assurance will be awarded to implement the work.

4. *Site / Budget Office* will be responsible for making the payments out of *Their Utility Budget* to *Name of Utility*, or its assignee, using project savings. Enclosure (2) is a sample invoice from *Utility or Financier*. Enclosure (3) is the assignment of claims.

5. Please contact *Name of Contracting Office*, Contract Specialist at *(xxx) xxx-xxx* or Project Lead at *(xxx) xxx-xxx* to discuss questions or concerns regarding invoice approval and payments.

6. The signatures below affirm *Site / Budget Office*’s approval to proceed with the contract and *Name of Contracting Office)*’s responsibility to install the project as depicted in enclosure (1). During the terms of the third-party financing periods, *Site / Budget Office* will be responsible for authorizing and making all payments in a timely manner. Should additional funds become available during the term of the contract, *Site* may have the opportunity to buy out all or buy down any portion of the remaining principal amounts in accordance with the contract terms and conditions.

\_\_\_\_\_\_\_\_ APPROVAL - Proceed with enclosure (1), Project TO and SOW. All costs and savings information including loan terms contained in enclosure (1) are final at TO award. Repayment of costs financed shall be made from funds budgeted for the purchases of utility services or as designated by *Site / Budget Office*. It is understood that payment by *Site / Budget Office* to *Name of Utility*, or its assignee, will begin upon project completion and acceptance in accordance with the negotiated payment stream.

\_\_\_\_\_\_\_\_ DO NOT APPROVE - Do not proceed with enclosure (1), Project TO and SOW.

7. Effective Date: \_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Name of contracting office) (Site or Budget Office)