

# Facilities and Campus Services – Energy and Sustainability

## Utility Billing Assessment – Process Document

### Purpose and Scope

**Purpose:** To streamline utility billing, minimize budget variance for colleges and units, and improve efficiency through a standardized assessment model.

**Scope:** All commodities under the utility billing model, including electric, steam, chilled water, potable water, wastewater, fuel oil, propane, solar, and gas.

**Audience:** Colleges and units, finance and budget staff, leadership, and technical teams.

### Process Overview

Facilities and Campus Services (FCS) Finance partners with Energy & Sustainability and Facilities Engineering to develop annual utility expense budgets and campus consumption estimates. The approved expense budget is allocated across estimated consumption by commodity and assigned to colleges and units based on metered space data. Each college or unit receives a single annual assessment billed in July at the start of the fiscal year. In the subsequent budget planning cycle, estimated consumption is compared to actual consumption, and a true-up is applied to adjust future assessments accordingly.

### Key Principles

The utility assessment is a cost-recovery mechanism for utility commodities only and complies with all applicable University policies, including the *University Policy 3.10*. Assessments are executed in accordance with the published fiscal year budget calendar.

Consumption estimates are based on historical meter data from the prior 3 years, with adjustments for facility changes, space reassignments, weather forecasts, and energy conservation efforts approved by both the University Rate Committee and the Financial Services Group. Dedicated meters are assigned to high-consuming spaces such as dining units, laboratories, and similar facilities.

### Inputs and Data Sources

- Expense Budget:
  - o Operations and maintenance expenses associated with providing campus utilities.
  - o Owned by FCS Finance and Energy & Sustainability.
  - o Updated annually, monitored monthly, and approved by the University Budget Office.
- Certified Space Data:
  - o Facility occupant and space type information.
  - o Managed by Facilities Data and Archives / Facilities Inventory Group (FIG).

- Certified by Colleges and Units annually
- Updated and published annually per *University Policy 2.7*
- Metering Data:
  - Actual utility consumption assigned to facilities and occupants using certified space data.
  - Owned by the Energy & Sustainability Metering Program.
  - Updated annually and monitored monthly.
- Consumption Estimates:
  - Forecasts of college and unit consumption by commodity for the upcoming fiscal year.
  - Prepared by Facilities Engineering in coordination with Energy & Sustainability.
  - Updated annually.

### Methodology

Basic Formula: Commodity Expense Budget × Percentage of Consumption Ownership (unit consumption divided by total commodity consumption) = Unit Commodity Charge.

*\*\*\*meters are assigned by space – incumbent is responsible for the amount of space they occupy in the building creating their unit ownership amount*

Commodity charges are aggregated into a single annual assessment per college or unit and billed in July. A true-up is performed after fiscal year close and reflected in a future budget planning cycle.

True-up Timing: FY26 true-up performed during FY28 budget planning, except in cases of contractual, grant, or state requirements. True-up values will be available to units in the December/January timeframe each fiscal year.

Mapping: Assessment expense will be planned and billed on object code sequence 9465, colleges/units' bills will appear here.

Assessment income will be planned and received on object code sequence 4965, Energy & Sustainability income will appear here.

Actual cost for utility commodities will be paid for out of the Energy & Sustainability accounts only and continue to be charged on object code sequence 68XX.

### Roles and Responsibilities

- Facilities Finance: Budget development, assessment creation, billing execution, and true-up processing.
- Metering Program Team: Maintenance of meter data and integration of certified space data.
- Facilities Engineering: Development of consumption estimates.
- University Budget Office: Review and approval of budgets and final assessments.
- Colleges and Units: Stakeholders and recipients of utility assessments. Certifiers of University space data.
- University Rate Committee: Review and approval per *University Policy 3.10* of assessment methodology for both Cost and Capital Assets and University Budget Office requirements.

### Outputs and Deliverables

Published Process Document and SOP.

Budget Summary provided to colleges and units for planning purposes.

Annual utility assessment billing journal entry.

### Timing and Cadence

Process Document and SOP: Published by April 1, 2026.

Budget Summary: Published annually in accordance with the University Budget Office deliverable calendar.

Annual Billing Journal Entry: Executed at the start of each fiscal year in July and recorded in Period 1.

### Controls and Validation

Expense budgets are reviewed internally within FCS management and submitted to the University Budget Office for approval. Certified space data is used for meter assignments, and meter data is reviewed monthly by both the Metering Program and FCS Finance. The financial model and methodology are approved by the University Budget Office and the University Rate Committee, with formulas locked upon approval.

Consumption estimates are reviewed by Energy & Sustainability and FCS Finance. Budget-to-budget and budget-to-actual comparisons are performed to identify variances. Reconciliations ensure charges are posted to correct accounts. Errors are communicated to affected parties and corrected via journal entry.

### Change Management

FCS Finance owns and administers this process. All changes require approval from the University Rate Committee and the University Budget Office. Approved changes are communicated in writing to the College Officer Group for dissemination. Version control is maintained in the document footer using sequential versioning (e.g., V1, V2). Changes are documented in an attachment describing the nature and rationale for each update.

### FAQs

Questions regarding the process or billing should be directed to [Utility-invoices@cornell.edu](mailto:Utility-invoices@cornell.edu).

Special contractual, grant, or state requirements will be reviewed by FCS Finance and accommodated as needed.