

GC Early Pay Programs

TOP CONSIDERATIONS BEFORE IMPLEMENTING AN EARLY PAY PROGRAM

A successful early pay program depends on more than just workflow and payment execution—it needs clear rules, structures, and planning. Here are the top five considerations when implementing GC Early Pay.

1

Provide a Predictable Timeline for Invoice Processing: With a structured processing calendar, GCs can provide predictable and transparent payment timelines—which can increase subcontractor adoption in early pay programs.

A **structured processing calendar** should contain:

- Invoice submission deadlines
- Issue resolution deadlines
- Pencil review dates
- Approval and upload dates

2

Establish an Invoice Due Date: The invoice due date is the date the subcontractor will receive payment and the date used to calculate the fee the subcontractor pays in exchange for early payment.

When **establishing an invoice due date**, be sure to:

- Choose a date that fits with the owner's payment timelines
- Consider having a buffer to mitigate delays
- Select maturity dates that align to each situation
- Consider adding extra buffer days if working with a new owner



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3

Define an Approved Invoice: To ensure consistency, determine what an approved invoice looks like within your workflow and organization.

Ways to **define an approved invoice** include:

- All required documentation has been submitted, reviewed, and accepted
 - Compliance items like lien waivers and insurance documents are complete
 - Any disputes have been resolved
 - A pencil review with the owner has occurred when applicable
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4

Ensure Payments Are Made Electronically: Paper checks undermine the purpose of an early pay program by slowing down the process. Electronic payments such (ACH transfers) **ensure predictable payment timing** and reduce administrative delays.

5

Create a Strategy for Subcontractor Outreach and Onboarding: The ultimate measure of success for any early pay program is adoption.

Here are **important elements of subcontractor onboarding** and outreach:

- Who is responsible for subcontractor outreach?
- What is the core message of the program and how will objections be handled?
- Which subcontractors are prioritized for outreach?
- How the program be priced?
- Will subcontractors be willing to openly discuss cash flow issues with you?
- What is the onboarding and user experience for the subcontractor?
- Do you have support resources or content to answer questions?