

# MEMO

**DATE:** June 1, 2023

**TO:** Finance Department  
Budget Officers, Business Administrators

**FROM:** Aftab Alam-Taj, Accounts Payable Coordinator

**SUBJECT:** Process to set up recurring payments for a property lease contract

This process describes the steps that need to be done by Facilities Management, the Cost Centre Manager of the Originating Department, the Accounts Payable (AP) Department and Procurement to set up and administer monthly recurring lease payments.

## **Step #1 – Facilities Management**

The Facilities Planning team within Facilities Management is responsible for negotiating property leases on behalf of a cost centre manager. Once the lease is signed, they will send all the information including a copy of the lease agreement to the cost center manager. Financial Services ([FinServices@algonquincollege.com](mailto:FinServices@algonquincollege.com)) must also be copied as they are required to track all lease commitments for financial reporting purposes.

## **Step #2 – Cost Centre Manager**

The cost center manager will fill out the monthly recurring payment voucher (attached), sign the voucher and send it to AP at [accountspayable@algonquincollege.com](mailto:accountspayable@algonquincollege.com) including a copy of the signed lease agreement (copy of recurring payment voucher template can be obtained from the AP department). The cost center Manager will need the following information to fill out the recurring payment voucher:

- Vendor Name & Address
- Contact name if any
- Lease Term (begin & end date)
- Description of the lease
- HST required or not
- Account number (spend category)
- Department/Cost Center
- Screen shot of lease term and payment
- Total Square Feet
- Base rent per Sq. ft

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- Additional rent per Sq. ft

### **Step #3 – Accounts Payable**

Accounts payable will forward the recurring payment voucher to the AP supervisor for review. If the AP Supervisor finds any missing information, it will be sent back to the cost center manager to provide missing information. Once completed and reviewed, the AP supervisor will prepare an Adobe e-signature document including recurring payment voucher and copy of lease agreement to be signed by the cost center manager and Manager Operational Accounting.

### **Step #4 – Procurement to set up monthly recurring payment**

Once the signed document is returned to the AP Supervisor it will be forwarded to Procurement to set up a monthly recurring payment in Workday. Once the procurement team sets up the monthly recurring payment, they will confirm with the AP department.

### **Step #5 – Administer monthly payments**

The AP Clerk processes the monthly payment in Workday. The AP clerk also prepares a monthly payment summary report for all rental lease payments and forwards it to Financial Services ([FinServices@algonquincollege.com](mailto:FinServices@algonquincollege.com)).

The AP clerk will contact the cost center manager and notify Financial Services one month in advance of the expiry of the lease term and will seek instructions on whether or not to end or extend lease payments.