

## MEMO

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**DATE:** November 27, 2025

**TO:** Business Administrators, and Business and Finance Managers  
Budget Officers  
Controllers  
Financial Services  
Corporate Planning  
Operational Accounting  
Procurement  
Academic Operations and Planning  
Data Architect, Performance and BI Reporting

**CC:** Grant Perry, Vice President, Finance and Administration  
Emily Woods, Chief Financial Officer  
Tara Vicckies, Manager, Operational Accounting  
Teri Kinnunen, Acting Director, Financial Planning  
James Pedde, Associate Director, Financial Operations  
Gordon Warner, Associate Director, Strategic Procurement  
Claire Ramsay, Manager, Enterprise Solutions - Workday  
Jessica Trask, Workday System Specialist  
Ayesha Pasha, IT Change Management Specialist, Workday  
Kim Blackburn, Communications Officer

**FROM:** Doreen Jans, Manager, Financial Services

**SUBJECT:** Prepaid Expense Automation

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Financial Services works regularly with members of Algonquin College's distributed financial support community and the Workday team to enhance Workday and create solutions to improve data capture, accounting and reporting for the College.

The purpose of this memo is to let you know about the latest change in Workday, including why it is being implemented and how the change impacts your work.

### Prepaid Expense Automation

Existing Workday functionality resulted in expense recognition on the day of an invoice being paid and posted as an expense in the income statement, regardless of the service start and end dates. Public Sector Accounting Standards (PSAS) compliance for expense recognition requires that expenses match the timing of the services received. To ensure compliance with PSAS, the solution has been to reduce expenses and

increase the prepaid assets on the balance sheet through manual journal entries at the end of the fiscal year.

This Workday change automates expense recognition in the correct fiscal year and moves prepaid expenses to the balance sheet as an asset at the time of invoice payment. The automation will amortize the prepaid asset as an expense each month to match the services received by the College. The amortization will be based on the service beginning on the first day of each month. A large dollar exception process will be utilized for those invoices with services that do not begin on the first day of the month and exceed \$250,000 before taxes. Manual journals will no longer be needed to set up the prepaid asset, which has historically been reversed as a lump sum on April 1 of the new fiscal year.

#### NOTE TO REQUISITIONERS:

- If it is known that a requisition is not for a prepaid service because the service has already been fully received, please use the current date as the start and end date so the expense is recognized in the current month.
- For this transition year, a journal entry will need to be submitted for any service purchase requisitions created prior to Dec. 1 and for which this new functionality was not applied. To reduce the fiscal year-end workload, manual journal entries to move expenses applicable to fiscal 2026-2027 may be submitted at any time, not just at year-end.

For additional support, please reference the contacts at the end of this document.

#### How are you impacted?

Service Purchase Requisitioners (refer to screenshots below):

- Flag the Requisition as "Service" in the first data entry screen.
- Enter the service Start and End Dates in the mandatory fields.
- In the second screen, enter the number of months of service in the Internal Memo field. A sample of an Internal Memo entry: 12 mths of service.

Procurement will:

- Confirm the start and end dates of service, as well as the number of months of service in the Internal Memo fields.
- Set the 'Prepaid' flag.

Accounts Payable will:

- Review the service start and end dates and the number of months of service in the Internal Memo field.
- Initiate the amortization schedule with a start date of the first day of the month.

Financial Services will:

- Review the amortization schedules for each prepaid service, checking the start and end dates, as well as the number of months of service detailed in the Internal Memo field.
- Make exception adjustments to the amortization table for invoices that do not start on the first day of the month and exceed \$250,000 before taxes to match the service dates.
- Notify the business/finance managers by email on the day an exception is entered in Workday.

- Queue the monthly prepaid spend (expense) amortization installments in Workday.

## Workday Reporting

A new report showing the amortization amounts for Prepaids is called: **CR-Supplier Invoice Prepaid Amortization Details** and can be found under the “Accounts Payable and Expenses” tab in the Finance and Administrative Services Reporting Dashboard.

## Screenshots of the Changes

Beginning on Dec. 1, 2025:

Data entry changes for Service Purchase Requisition:

- Service Start Date
- Service End Date
- Number of months of service in the Internal Memo field.

## BEFORE Dec. 1, 2025

Request Non-Catalog Items

Company

ALGON The Algonquin College of Applied Arts and Technology

Requester

Requisition Type

Purchase Requisition

Requisition Currency \*

X CAD

Non-Catalog Request Type

☐ Request Goods

☒ Request Service

Service Request Details

Description \*

VMware Support and Subscription renewal

1 year renewal - \$122,048

Oct 1, 2025 - Oct 31, 2026

Spend Category \*

48700 Software Licenses/Support

Supplier

X Softchoice Canada Corp

Supplier Contract

Start Date

2025-10-01

End Date

2026-10-31

Extended Amount

122,048.00

BEFORE

## BEGINNING ON Dec. 1, 2025:

The Start and End dates become mandatory fields as indicated by the red \*.

### Request Non-Catalog Items

Company  
ALGON The Algonquin College of Applied Arts and Technology

Requester

Requisition Type  
Purchase Requisition

Requisition Currency \*  
X CAD

#### Non-Catalog Request Type

☐ Request Goods

☒ Request Service

#### Service Request Details

Description \*

VMware Support and Subscription renewal  
1 year renewal - \$122,048  
Oct 1, 2025 - Oct 31, 2026

Spend Category \*

X 48700 Software Licenses/Support

Supplier

X Softchoice Canada Corp

Supplier Contract

Start Date \*

2025-10-01

End Date \*

2026-10-31



Extended Amount

122,048.00

AFTER

## ERROR MESSAGE SHOULD THE START OR END DATES NOT BE ENTERED:

### Service Request Details

Description	*	VMware Support and Subscription renewal 1 year renewal - \$122,048 Oct 1, 2025 - Oct 31, 2026
Spend Category	*	<div>× 48700 Software Licenses/Support ...</div>
Supplier		<div>× Softchoice Canada Corp ...</div>
Supplier Contract		<div></div>
Start Date	*	<div>YYYY-MM-DD </div> <div>Error: The field Start Date is required and must have a value.</div>
End Date	*	<div>YYYY-MM-DD </div> <div>Error: The field End Date is required and must have a value.</div>
Extended Amount		122,048.00

### Errors

1. [Start Date](#)  
The field Start Date is required and must have a value.
2. [End Date](#)  
The field End Date is required and must have a value.

## THE INTERNAL MEMO FIELD MUST BE UPDATED, ON THE SECOND SCREEN

Company ALGON The Algonquin College of Applied Arts and Technology	Requester [Redacted]	Requisition - new -	Status Draft	Total Amount 122,048.00 CAD
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Shipping Address

**Deliver-To** Ottawa Campus

**Ship-To Address** 1385 Woodroffe Avenue  
Ottawa, ON K2G 1V8  
Canada

Requisition Information

**Request Date** \* 2025-10-01

**Currency** \* X CAD

**Requisition Type** \* X Purchase Requisition

**High Priority** ☐

**Sourcing Buyer**

**Submitted by** [Redacted]

**Memo to Suppliers** \* VMare Support and Subscription renewal  
1 year renewal - \$122,048  
Oct 1, 2025 to Oct 31 2026

**Internal Memo** 12 months of service

Submit

Save for Later

Continue Shopping

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## Reporting Sample

### New Report: CR-Supplier Invoice Prepaid Amortization Details

CR- Supplier Invoice Prepaid Amortization Details

Company

ALGON The Algonquin College of Applied Arts and Technology

Include Fully Amortized Invoices

No

Prepaid Installment as of Date

2025-11-30

Supplier Invoice Status (optional)

Approved

2 Items

Company	Supplier	Supplier Invoice	Cost Center	Spend Category	Prepaid Amortization Type	Prepaid Amortization Date	Number of Approved Prepaid Installments	Number of Prepaid Installments Completed	Number of Approved Prepaid Installments Remaining	Distribution Extended Amount	Non-Recoverable Tax Amount	Gross Amount
ALGON The Algonquin College of Applied Arts and Technology	Bell Canada	Supplier Invoice: SINV-0000172805	284F Financial Services Manager	48700 Software Licenses/Support	Schedule	2025-11-30	7	1	6	10,000	341	10,341
ALGON The Algonquin College of Applied Arts and Technology	Workday Limited	Supplier Invoice: SINV-0000172806	282Y Enterprise Solutions - Workday	48700 Software Licenses/Support	Schedule	2025-11-11	6	1	5	6,000	0	6,000

Sum of Completed Prepaid Installments	Prepaid Installment Amount Remaining	Prepaid Amortization Installment Lines			
		Installment Line	Installment Status for Installment Line	Installment Date for Installment Line	Installment Line Amount
1,477	8,864	Supplier Invoice: SINV-0000172805 - 10000 1 1477.28	Complete	2025-11-30	1,477.28 ▲
1,000	5,000	Supplier Invoice: SINV-0000172806 - 6000 1 1000	Complete	2025-11-11	1,000.00 ▼

All impacted user guides will be updated to reflect these changes.

### Additional Details

For additional details related to:

Requisition Completion and Purchase Orders, contact Purchasing at [purchase@algonquincollege.com](mailto:purchase@algonquincollege.com).

Accounts Payable Amortization Table creation, contact Accounts Payable at [accountspayable@algonquincollege.com](mailto:accountspayable@algonquincollege.com).

Financial Services, exceptions to the first of the month amortization, contact Cresdelle Zubrycki, Senior Financial Analyst, Financial Services at [zubrycc@algonquincollege.com](mailto:zubrycc@algonquincollege.com).

### When will this be available?

This change will take effect on Monday, Dec. 1, 2025, at 1 p.m.

### Who to contact for questions or concerns

If you have any questions or concerns, please contact James Pede, Associate Director, Financial Operations at [pedej@algonquincollege.com](mailto:pedej@algonquincollege.com).