

MEMO

DATE: June 16, 2026

TO: All Budget Officers
All Budget Administrators
Finance and Administrative Services

CC: Emily Woods, Teri Kinnunen

FROM: James Pede, Associate Director, Financial Operations

SUBJECT: New Cost Center Request Guidelines

This memo explains when a new cost center is required and outlines the criteria for submitting a request. It is intended to ensure consistency, compliance, and accurate financial reporting by providing clear guidance that staff must review and follow before initiating a request.

When a New Cost Center Is Required

A new cost center is required if any of the following conditions apply:

1. **Contract-Based Requirement:** A cost center is required when a new contract includes \$100,000 or more in budgeted expenses. The contract must be attached to the cost center request. If more than one (1) cost center is requested for a contract, all cost centers related to the contract must be consolidated under one (1) node on the cost center hierarchy for reporting purposes.
2. **Supervisory Organization Changes:** A cost center is required when a new Supervisory Organization is created and requires its own financial structure.
3. **External Financial Reporting Needs:** A cost center is required when a new activity involves external financial reporting obligations, including but not limited to:
 - a. NSERC Applied Research contracts
 - b. Agreements requiring external audits

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- c. Funding arrangements with mandatory financial statements or reporting deliverables
- 4. Academic Program Requirements: A cost center is required when a new academic program must be created in GeneSIS/Thesis. Academic cost centers require approval from Academic Operations before they can be created.
- 5. A new Strategic Investment Priority "SIP" Project is approved for budget purposes. SIP-related cost centers must be requested by the Corporate Planning Team.

All new cost center requests must be submitted through the request function in Workday ([Workday User Guide "Create Request"](#)) with appropriate approvals attached. The name of the cost center should be clear and concise and avoid using acronyms if possible. Before submitting a request, please ensure all required documentation is included. New Cost Center Requests require 2 business days to process. Incomplete submissions may delay processing. The use of individual cost centers is at the discretion of Financial Services and may be denied where creating a new cost center would create unreasonable administrative burden. All other methods of segregating expenses must be explored prior to requesting a new cost center.

This memo and the new cost center requirements will be posted on the Finance website (<https://www.algonquincollege.com/finance/2026-27-fiscal-year-memos/>). If you have questions about whether a new cost center is required, please contact Financial Services for guidance.

