

AM.020.076 - AMENDING A LEASE

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| Purpose | To amend a lease in the Lease Administration module |
| Description | There are multiple reasons a lease may need to be amended. The lease may have been entered incorrectly or terms on the lease may change due to a refinance. Leases may also need to be amended if the lessee is returning part of the asset to the lessor. |
| Security Role | BOR_RE_ADMIN |
| Dependencies/ Constraints | None |
| Additional Information | None |

Procedure

Below are step by step instructions on how to amend a leased asset.

| Step | Action |
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| 1. | Click the NavBar icon. |
| 2. | Click the Menu icon. |
| 3. | Click the Asset Management link. |
| 4. | Click the Asset Transactions link. |
| 5. | Click the Leased Assets link. |
| 6. | Click the Maintain Lease link. |
| 7. | Enter the institution's Business Unit in the Business Unit field. |
| 8. | Enter the Asset ID in the Asset Identification field then click Search . |
| 9. | Click the Action drop down box and select " Manage Amendments ." |
| 10. | Click the Go button. The system navigates to the Amendment screen. |
| 11. | Click the Add button. |
| 12. | <p>Enter the following information on the Amendment Summary page:</p> <ul style="list-style-type: none"> • Amendment Type: Choose the applicable amendment type • Reason: Choose the reason for the amendment • Remeasurement: If you are changing payment amount, payment schedule, interest rate, chartstring, or any other characteristic of the lease that has a financial impact, choose Yes. If only the lessor or other non financial information is being updated, choose No. <p>Note: Enter any information pertinent to this change.</p> |
| 13. | Verify the page displays " Editing Pending Amendment " at the top left. |
| 14. | Make the necessary changes to the lease. Make sure your transaction date is the effective date of the change and your Accounting Date is current date (or a date in the current open period). These dates are on the Financial Terms tab. |
| 15. | <p>Once the updates have been made, Click the Save button.</p> <p>Note: If a message appears about Straightline dates, click OK.</p> |
| 16. | Navigate to the bottom of the page and click Return to Amendment History . |
| 17. | Click Activate . |
| 18. | Once the lease is activated, click Return to Maintain Lease . |

| Step | Action |
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| 19. | Confirm that the lease now displays an Amendment Number at the top of the page. This number will increment with each subsequent amendment. |
| 20. | Run Depreciation Calculation and Create Accounting Entries in the Asset Management module to generate the appropriate accounting entries. For more information see, AM.030.020 – Closing Period Depreciation . |