

90 Day Rule Justification Memo Form Instructions

90 Day Rule Policy

Under university policy, all expenditures and other costs should be posted within 90 days of their occurrence; in addition all cost transfers, including salary, should be completed within 90-days of their original transaction date. When a transaction falls outside of this 90-day window a justification is required and subject to review and approval by central accounting staff before the transaction is accepted for posting.

Measurement Dates

- For an original transaction, the date of occurrence is the date that a good is received or a service is provided.
- For a cost transfer, the beginning measuring date for the 90-day window is the original date of the transaction on a budget statement.
- For all transactions, posting can only occur if the measurement date is within one year of the current date (posting can cross fiscal years). However, only in unusual cases and with additional justification can transactions more than one year old be posted or corrected.

Common Format for 90-day Exceptions

A common format for 90-day exception was developed to be used with a variety of transaction processing:

- Facilitates compliance with 90-day policy
- One form to be used for all transaction types (cost transfers, FASIS journals, internal charges, reimbursements, expenses)
- Clarifies measurement dates for applying 90-day rule and review
- Uniform 5 questions for justification
- Form will be electronically submitted in FASIS workflow and NUFInancials workflow

The 90-day form is integrated into the electronic correction journals and internal sales journals in the NUPortal. Workflow approvals are applied to non-sponsored 90-day memos via the portal; PI signatures are required to be provided for sponsored transactions (contact ASRSP for details.)

This form is also used for FASIS journal vouchers in the payroll process. For instructions, see: <http://www.northwestern.edu/hr/managers-administrators/payroll-administration/index.html>

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Form Instructions

This form is only used if the transaction is not processed through the NUPortal.

1. Complete the memo for each over-90 day transaction.
2. Answer each question and attach supporting documents if needed.
3. The PI signature is required for cost transfers on sponsored accounts.
4. Submit the 90 day memo with a completed and approved Direct Payment Request.
5. A completed Expense Policy Exception Request form may be submitted for travel policy exceptions.
6. Submit all forms and documentation as follows:

Type of Transaction	Send to	Address
Non- payroll transaction(s) that affects a sponsored account, including reimbursements	ASRSP: Attn Jane Roy- Singh	633 Clark Street, Evanston or 750 N. Lake Shore Drive, 7th Floor, Chicago
Non-sponsored reimbursements	Accounts Payable	2020 Ridge, Evanston

Questions?

Contact: Payroll 7-1559 ASRSP 1-4237 Accounting Services 1-5338

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Memo Form

(1) Why was this expense originally charged to the chart string from which it is now being transferred? Or, why was this expense incurred (if not yet posted)?

(2) Why should this charge be transferred/posted to the proposed receiving chart string? (For transfers, a correlation must be drawn between the initial charge and the chart string to which it is being transferred)

(3) Why is this cost transfer/posting being requested more than 90 calendar days after the date of transaction on a budget statement/original occurrence?

(4) What action is needed to eliminate the future need for cost transfers/postings of this type? Is this action being taken?

(5) Salary transferred to sponsored projects must be supported by timely certified effort reports. For the salary charged to sponsored projects, have you certified effort for the quarter in which the transfer/charge occurs? If yes, attach the certified effort report.

- Yes
- No

(6) Signature and Approval

Signature of Preparer: _____

Signature of Supervisor/
Principal Investigator: _____

Signature of Dean's Office/
Vice President or Designee _____
(As needed)

Date: _____