



Subaward Advance Procedures and Request Form

In the event a subrecipient to BU requests advance payment, BU must exercise appropriate fiduciary responsibility over sponsor funds, and irrespective of BU's own payment terms, advance funding for subrecipients goes through a special approval process.

Key Details for Subaward Advances

- Subawards are issued on a cost-reimbursement basis.
- Subaward Advance Request Form must be completed and submitted to SP RA (procedure and form below)
- All advances are paid from a Departmental Funds Center using GL Account 517525 (SP Advance Payments). All advances are processed using the AP Disbursement Request form, not the Subrecipient Invoice Disbursement Request form)
 - For questions regarding the appropriate departmental fund center to use, please reach out to Gretchen Hartigan, hartigan@bu.edu. In **rare** cases, a new Fund Center may be advisable.
- Subrecipient must submit invoice(s) for advance payments
- As costs are actualized, subrecipient sends an itemized financial analysis to the Department, on a monthly basis, detailing actual costs incurred against the advance payment.
- The Department then processes a cost-transfer journal entry to move the costs onto the grant. [Click here for instructions on how to complete the cost transfer journal entry](#). If the Subrecipient does not provide appropriate back up to substantiate the advance payment, no charges will be allowed on the grant and charges will be covered by the department fund center. It is the Department's responsibility to seek reimbursement from the Subrecipient for the advance payment issued that cannot be reconciled.
- Review this [link](#) for additional guidance about advance payments to Subrecipients.

BU's procedure for subrecipient advances is as follows:

- Subrecipient submits request and justification for advance payment to BU PI
- In collaboration with the Subrecipient, BU department drafts recommended payment plan
 - Note:** We strongly recommend that not all funds be advanced: a hold-back of at least 10% is recommended. This final 10% would be paid only on receipt and approval of subrecipient's final report, final invoice and final financial report.
 - Request should provide a justification for the advance and detail the kind of advances requested. For example, is subrecipient requesting an advance of 25% of funds up front? An advance of some smaller portion of the subaward, with the rest to be invoiced on a standard costs-incurred basis? Advance of funds on a particular schedule?
- PI and BU Departmental Financial Head approves advance payment and plan for subrecipient as well as source of advance funds via documented signature on this form
- Department emails this signed form and appropriate subaward documentation to Sponsored Programs RA.
- Sponsored Programs RA reviews request and documents to ensure alignment with prime award
- Once Sponsored Programs RA approves, documents are sent to sub mail box with copy to PAFO Assistant Director of Compliance and PAFO RA with a note that the request is for an advance payment subaward.
- Subaward RA prepares subaward, issues and processes through final execution. Fully executed subaward is distributed to the PI, DA, SP RA, PAFO RA, and PAFO Assistant Director of Compliance
- Sub invoices ("requests for advances") are sent to the department for approval and processing



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Note: All subrecipients must submit an Itemized financial analysis on a monthly basis; departments should not send additional advance payments until ninety percent of the proceeding advance is spent. If a subrecipient requests an additional advance prior to spending previous advance in full, special arrangements must be made. In these instances, contact Shelly Stewardson (sds@bu.edu) or Craig Gerome (cgerome@bu.edu) in PAFO.