



7/26/2021

ADVANCE ACCOUNTS Best Practices

Background and Purpose

An Advance Account is an internal grant account established when an award is imminent, but final execution has not been completed. The benefit of this practice is to enable the Principal Investigator (PI) to begin spending prior to having a fully executed award in place and allow expenses to be recorded and tracked thus eliminating the need to charge other unrelated accounts and subsequently requiring cost transfers of those expenses.

The following considerations apply:

- The department/school agrees to cover any expenses incurred should the award fail to be made or if the final terms of the award deem certain expenditures to be unallowable. This is indicated by providing a discretionary source # on the internal IPAR: Advance Account Request Form.
- The PI has well-founded reason to believe the funding is imminent.
- The department/school has determined the risk/benefit of establishing the Advance Account.

Sponsored Programs (SP) will use its best efforts to finalize the award, but cannot guarantee a successful outcome of any award negotiation.

Advance Accounts cannot be established for contracts.

Abbreviations

Abbreviations	Meaning
AN	Award Notification
DA	Department Administrator
IPAR	Institutional Prior Approval Request
SP – POST RA	Sponsored Programs Post Award – Research Administrator
PI	Principal Investigator
SA	School Administrator
SP RA	Sponsored Programs - Research Administrator
SAP	BU's general accounting system
SP	Sponsored Programs

Process Flow

1. The department/school will complete the internal IPAR: Advance Account Request Form, obtain all signature approvals required, and attach some form of evidence that the award is imminent.
 - a. Forms of evidence could include a draft agreement or email from Sponsor that the award is forthcoming.
2. The department/school will route the signed and completed IPAR: Advance Account Request Form to ospera@bu.edu, or directly to their assigned SP RA, for review and processing.
3. An internal Grant account is created with the status 'Pre Award Not Billable' and an internal Award Notification (AN) is emailed out to the PI, DA/SA, SP – Post RA, and SP RA.
4. When the award is received and executed, the established internal Grant account will then be



converted to an 'Approved Award' status, incorporating any budget revisions as needed. A new AN will be sent to the appropriate people, alerting them of the status change.

Roles and Responsibilities

Role	Responsibility
Department Administrator/School Administrator	Complete the IPAR Advance Account form, attach supporting documentation/form of evidence, evaluate risk of account setup with pertinent internal parties, obtain necessary approvals on form, forward complete form to SP RA
Principal Investigator	Alert DA/SA that an award is forthcoming and provide DA with supporting documentation
SP RA	Upon receipt of IPAR Advance Account form, review for completeness and send to SP Award Set-Up team for account creation

Reference Documents

- <https://www.bu.edu/researchsupport/project-lifecycle/setting-up-an-award/>
- IPAR Form: <http://www.bu.edu/researchsupport/forms-policies/ipar-form/>

Screenshot from IPAR Form:

<input type="radio"/> Pre-Award/Advance Account*			
Start Date Requested	End Date Requested	Anticipated Date of Award	Discretionary Source #
Direct Costs	Indirect Costs	Total Costs	0