

Advance and Pre-Award Accounts

UM Policies

[Policy 27001 – Establishing an Award](#)

Forms

[Request for Advance/Pre-Award Account](#)

Overview

An *advance account* is established after the project start date but before all parties have signed the agreement. A *pre-award account* is established before the project start date. In both cases, the Office of Sponsored Programs Administration (OSPA) provides a MoCode enabling the Principal Investigator to begin spending prior to having a fully-executed award in place or to incur expenses before the start date of an expected award.

Risk

The risk in establishing an advance account or pre-award account is that expenses will be incurred on an award that is never executed or the expenses incurred may not be allowable. In either case, the Department accepts full financial responsibility for the risk when completing the request form. Any unallowable expenses or unreimbursed expenses will be transferred to the MoCode provided on the form.

Procedure

Principal Investigator (PI) – The PI determines the need for an advance account or pre-award account.

PI/Department – The PI/Department completes the [Request for Advance/Pre-Award Account form](#) with all necessary approvals. A electronic Proposal Signature Routing Sheet (ePSRS) must have been previously submitted to OSPA, or an ePSRS should accompany the request form. The PI/Department submits the form and related documentation to the Department's assigned OSPA SGCA.

OSPA Senior Grants and Contracts Administrator (SGCA) – The SGCA reviews the Request for Advance/Pre-Award Account form and ePSRS for completeness and accuracy and secures approvals for all applicable compliance certifications and verifies that the MoCode is active and not associated with a grant project. Once all requirements are met, the SGCA will set up the account according to the information provided on the ePSRS (period of performance, and Chartfield) with the associated budget for the project set up with zero dollars. The SGCA will then issue a Grant Award Summary (GAS), which provides the MoCode(s), retaining all documentation for the OSPA file.

Note: Projects involving animals require review for Animal Care and Use Committee (ACUC) approval prior to account setup or expenditure of funds. Projects involving human subjects require review for Institutional Review Board (IRB) approval prior to account setup or expenditure of funds. Projects intended for NSF funding or funding

subject to 42 CFR Part 50, Subpart F (PHS Revised Federal Regulation on Financial Conflict of Interest) require review for MU Conflict of Interest (COI) Office approval prior to account setup or expenditure of funds. See Related Topics below.

PI/Department – The PI/Department uses the MoCode for expenses incurred on the project. As with any sponsored project, expenses must be allowable under the terms of the agreement (which may not be known at the time the advance account or pre-award account is established) and, if federal funding, under OMB Uniform Guidance. If notification is received by the PI/Department in regards to the status of the agreement, those communications should be forwarded to the SGCA.

OSPA SGCA/Post-award Team – Once the agreement is received, acceptable to all parties, and fully executed, the SGCA will process the award (changing the PeopleSoft record status to “Accepted”), update the budget to the awarded amount, and distribute a new GAS along with a copy of the award. The final award and GAS are retained in the grants award file and the OSPA Post-award Team will administrate the grant through the life of the award.

OSPA Compliance Team/SGCA – The Compliance Team will monitor on a quarterly basis all accounts with the status of “Pre-Award.” For accounts over 90 days old, the Compliance Team will send a notice to the SGCA to follow up with the PI/Department for a status of the account, including the status of the award document. This process will continue until the award is fully executed and the award status moves from “Pre-Award” to “Accepted.”

For accounts over six (6) months old and every 6 months thereafter, the Compliance Team will send a notice to the SGCA to reaffirm approvals. The SGCA will send the Request for Advance/Pre-Award Account form on file to the PI/Department and request reaffirmation from each approver by way of an additional signature on the form or approval by email.

OSPA Post-award Team – The Post-award Team will communicate with the PI/Department if any expenses are disallowed by the sponsor or unallowable because of the terms in the agreement. The Post-award Team will work with the sponsor to address any potential issues; however, the terms of the agreement may disallow certain expenses that were expected during the pre-award period to be allowable. These unallowable expenses will be transferred to the MoCode provided on the Request for Advance/Pre-Award Account form unless an alternate non-grant MoCode is provided by the Department.

In the event a project does not get funded, the OSPA Post-award Team will work with Department to transfer the costs incurred on the account to the MoCode provided on the Request for Advance/Pre-Award Account form or to an alternate non-grant MoCode is provided by the Department. The OSPA Post-award Team will then close the project according to standard closeout procedures.

Responsibilities

Below is an outline of responsibilities as they relate to this process.

PI:

- Completes and submits the Request for Pre-Award/Advance Account form, including collateral MoCode and Department/Division-level approvals.
- Authorizes all spending.
- Forwards award status documentation to OSPA as received.
- Reaffirms approval of advance account or pre-award account at required intervals.

OSPA:

- Reviews Request for Pre-Award/Advance Account form, ensuring appropriate approvals are in place.
- Obtains required compliance certification approvals (IRB, ACUC, and/or COI Office) prior to account setup.
- Verifies that the MoCode is active and not associated to a grant project.
- Monitors advance accounts and pre-award accounts quarterly (including a managerial review).
- Ensures that spending ceases on advance accounts and pre-award accounts if departmental backing is withdrawn.
- Reviews for allowability of expenses once award is fully executed.

Need Help?

If you have questions or comments about this procedure or the required form, contact OSPA at muresearchospa@missouri.edu or (573)-882-7560.

Related Topics

[Financial Conflict of Interest in NSF-Funded Research](#)

[Financial Conflict of Interest under the 2011 Revised PHS Regulation](#)

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