


CANCER PREVENTION & RESEARCH  
INSTITUTE OF TEXAS

## CPRIT Grantee Annual Compliance Training

March 2022



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Academic Research

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## Training Overview

- Introductions
- FWA Reporting
- Policy and Procedure Guide Overview
- Recent Administrative Rule Changes
- Required Reporting
- Programmatic Topics

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## Fraud, Waste, & Abuse

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## Fraud, Waste, & Abuse

How do I Make a Report?

Use Client Code #5124633190  
(Users can remain anonymous)

Call

1-877-64-RedFlag  
(1-877-647-3335)

Online

[www.RedFlagReporting.com](http://www.RedFlagReporting.com)

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## Fraud, Waste, & Abuse



**Red Flag Reporting**  
Report concerns safely, securely and anonymously 24/7.

If you are uncomfortable with a situation, **Be Proactive**.

Red Flag Reporting is your hotline for:

- fraudulent activity / theft,
- misconduct,
- safety violations,
- unethical behavior.

Protect your organization and your co-workers.

**Because Every Employee Deserves to Feel Protected and Safe.**

Click or Call [www.RedFlagReporting.com](http://www.RedFlagReporting.com)  
1-877-668-RedFlag (1-877-668-7333)  
Client Code: 0124033196

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## Policies & Procedures



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## Sources for CPRIT Grantee Requirements



- Article III, Section 67 Texas Constitution
- Texas Health & Safety Code Chapter 102
- Texas Administrative Code Chapters 701 - 703
- Grant Contract
- Texas Grant Management Standards (formerly Uniform Grant Management Standards)

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### Grant Policies & Procedures Guide

- Rules
- Statute
- Grant Contract
- Texas Grant Management Standards (formerly Uniform Grant Management Standards)



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### Emphasis on *Guide*

- The Grant Policies & Procedures Guide is only a *resource*
- The Grant Policies & Procedures Guide is *not* an authoritative source
- CPRI's rules, statute, and grant contract each outweigh the Guide



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## Administrative Rules

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### What are the Rules?

- Texas Administrative Code (TAC)
- TAC is a compilation of *all* state agency rules in Texas
- TAC is compiled, indexed, and published by the Texas Secretary of State
- Rulemaking Process

Source: <https://www.sos.texas.gov/tac/index.shtml>

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### CPRIT's Rules

- Chapter 701: Policies and Procedures
- Chapter 702: Institute Standards on Ethics and Conflicts, including the Acceptance of Gifts and Donations to the Institute
- Chapter 703: Grants for Cancer Prevention and Research

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### Why the Rules Matter to Grantees

- CPRIT's rules contain many grantee reporting requirements
- Many changes and updates to grantee requirements happen through the rulemaking process
- The rules are the most cited source in the Grant Policies & Procedures Guide

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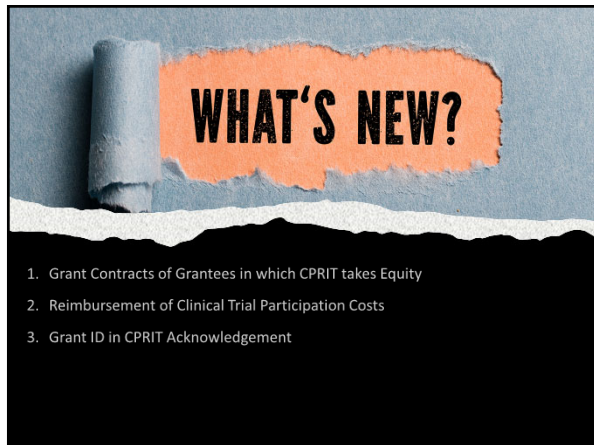
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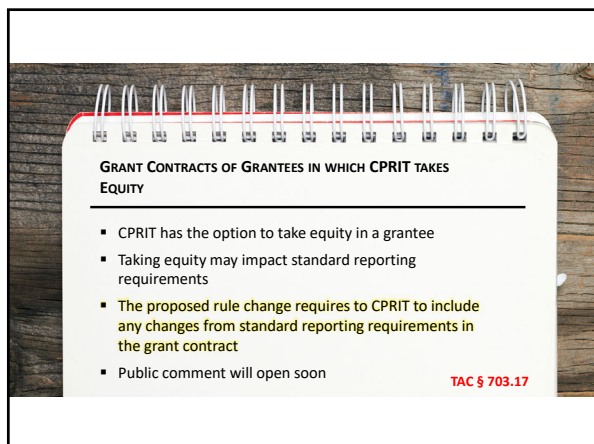
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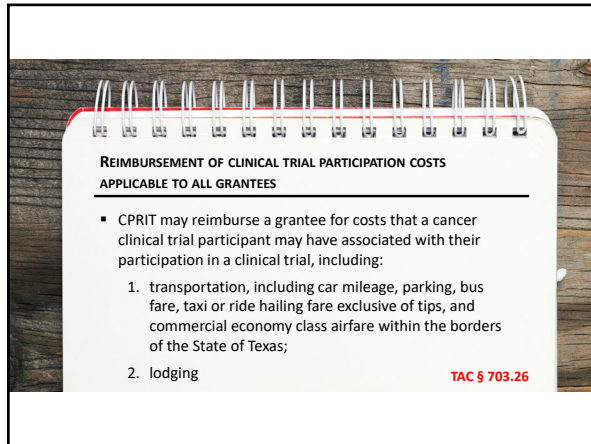
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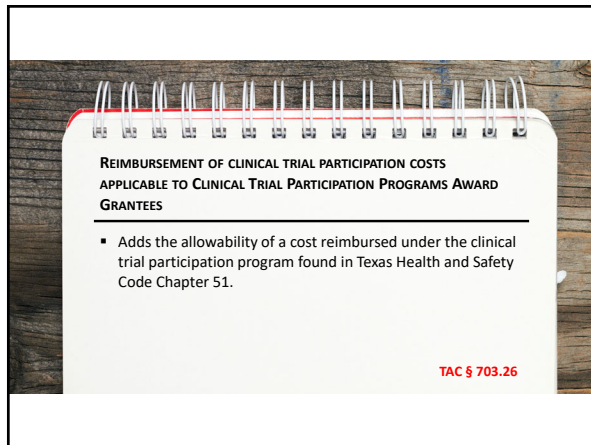
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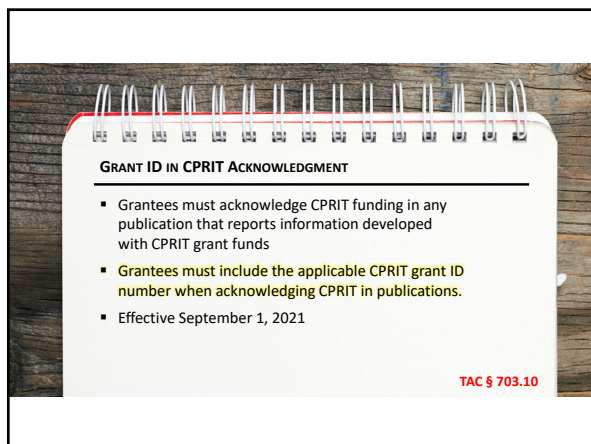
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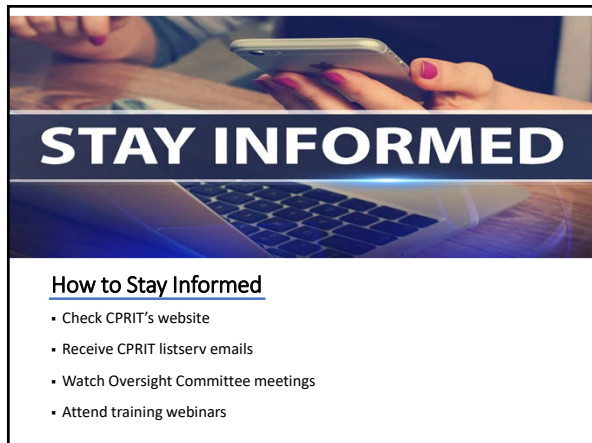
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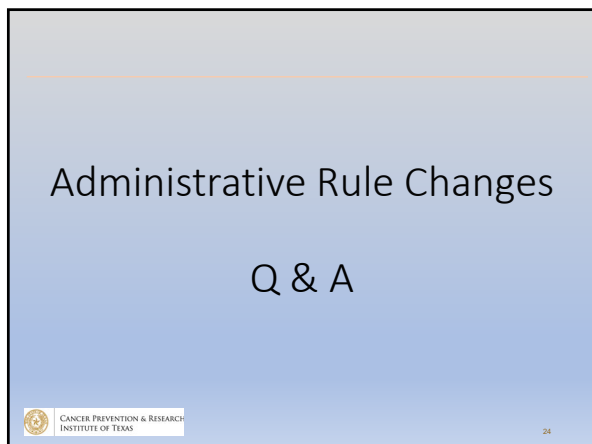
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# Financial Status Reports (FSR)



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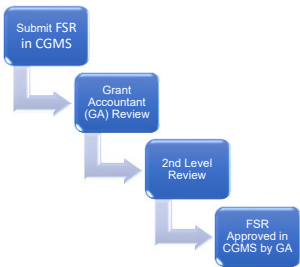
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# FSR Review and Approval Process





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# FSR – Checklist


- Expenses are paid within FSR period (cash basis)  
[7.6.3 Cash Basis Accounting](#)
- Payment date is included for all transactions
- FSR amounts match ledger totals by expense category

## Best Practice

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P&P Guide Reference:  
9.4 Determining if a Cost is Allowable

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### FSR – Checklist

- Supporting documents are scanned in the same order as the transaction listing
- Supporting documents are legible
- Expenses are allowable

### Best Practice

- 1
- 2
- 3



P&P Guide Reference:  
9.4 Determining if a Cost is Allowable

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### FSR – Checklist

- Invoice amounts match amounts shown on the ledger. Partial charges are explained on the invoice
- Expenses are properly categorized
- Justification provided for prior period expenses

### Best Practice

- 1
- 2
- 3



P&P Guide Reference:  
9.4 Determining if a Cost is Allowable

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### FSR - Support Documentation

- Identify the amount charged to CPRIT when less than invoice amount.

Item Total	USD	3,430.00
Gross Value		3,430.00
Net Value		3,430.00
Shipping Fee		14.50
Total Solution Cr.		1,166.00
Amount Paid	USD	2,278.52
\$2,000 charged to CPRIT avoided	USD	2,278.52


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### FSR - Allowable Costs


**Costs should be:**



- Reasonable - Section 9.4.1
- Allocable - Section 9.4.2
- Adequately documented - Section 9.4.6

*Note: CPRIT is responsible for making the final determination regarding whether an expense is an allowable expense*

P&P Guide Reference:  
9.4 Determining if a Cost is Allowable



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### FSR – Examples of Unallowable Costs

- Individual Professional Membership fees
- Alcohol
- Tips & Gratuities
- Bad debt
- Lobbying costs
- Entertainment

P&P Guide Reference:  
9.4 Determining if a Cost is Allowable

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### FSR - Reporting

- No disbursement of grants funds will be made until all required financial and programmatic reports are approved
- If errors are made and adequate information is not provided, report will be disapproved and sent back for rework
- Allow enough time for ASO approval and submission before deadline





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# Financial Status Reports

## Q & A



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# Equipment



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# FSR – Equipment

- Include documentation of CPRIT approval for all equipment expenses
  - Initial Budget Justification
  - Change Not Otherwise Specified (CNOS)





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FSR – Equipment


Initial Budget Justification-include copy with FSR support and match amount to equipment on invoice:

LINE	PART ID	DESCRIPTION	UM	TAX	QUANTITY	UNIT PRICE	EXTENSION
1	NIS0001	NanoAssembler Spark Instrument	EA	R	✓ 1.0000	25,116.00	✓ 25,116.00
2		FREIGHT CHARGE	EA	N	0.0000	0.00	78.50

Detailed Budget for Year One

Other Direct Charges	
Travel	\$3,000
Equipment (Itemized)	\$50,000

Funds are requested to upgrade several instruments to optimize manufacturing and to enhance efficiency (Precision NanoSystems NanoAssembler) Agilent TapeStation, Shaking Incubator, Oxford Nanopore Technology MinION (refer to budget justification for details).

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FSR – Equipment

Change Not Otherwise Specified—include copy with CPRIT approval:

Change Requests

Grant ID: [REDACTED]

Grant Title: [REDACTED]

Organization: [REDACTED]

Grant Information

Contracts

Reimbursements & Payments

Correspondence

Internal Review

Project & Financial Review Requests

Program Review

Change Requests

Back to Change Requests

Change - Not Otherwise Specified

Change Request Details:

I am requesting to rebudget funds allocated to subcontracts to purchase a tissue homogenizer - BCU-10.

Justification:

This request is necessary to ensure a proper degree of safety in the laboratory from viruses and other risks. Please see attached form for full detail and details. For the safety, we require the equipment purchase of a homogenizer.

Download Notes and Comments About This Document


2023-02-07 09:45: Complete Web Form [REDACTED]

2023-02-07 09:45: Verify Information (pending) [REDACTED]

2023-02-07 09:45: ARI Review (approved) [REDACTED]

2023-02-07 12:05: Grant Manager Review (approved) - Nelson, Patty (Grant Manager)

2023-02-07 12:07: Contract Manager Review (approved) - Nelson, Lisa (Contract Manager)

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FSR Travel & Support Documentation

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## FSR - Travel

- A separate travel expense report should be submitted with all supporting documentation for each trip taken

### Expense Report Components

1. Grantee Name
2. Name of person traveling
3. Date(s) of travel
4. Purpose of the travel
5. Itemization of expenses
6. Proof of payment



P&P Guide Reference:  
10.4.3.1 Travel Expense Reports

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## FSR - Travel

[illegible]

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## FSR - Travel Expense Checklist


- Meals expenses supported by itemized receipts unless using per diem
- Split receipts with multiple meals
- Exclude Group meals
- Exclude gratuities and alcohol




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### FSR - Travel Expense Checklist

- Meals and lodging expenses are within GSA limits
- Support includes copy of GSA rates for meals and lodging
- Taxi/Uber/Lyft receipts are included minus gratuities
- Receipts are legible





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### FSR - Travel Expense Checklist

- International travel expenses include CPRIT approval (must provide with FSR)
  - Initial Budget Justification
  - Change Not Otherwise Specified
- All travelers are listed on the PLOE
- Meals for day trips are excluded





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### FSR – Ineligible Travel Costs

- Alcohol or gratuities
- Airfare costs that exceed coach class
- Foreign travel without prior CPRIT approval
- Travel outside of the grant contract effective dates
- Employee traveling not listed on Personnel Level of Effort (PLOE)
- Dates of travel occur outside of the employee's PLOE period (Travel Only Exception)



P&P Guide Reference:  
10.4.3.2 Meal Expenses  
10.4.1 Allowable Travel Costs



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## FSRs - Foreign Currency

- Submit requests for reimbursement in United States dollar amounts
- If the original cost is in a foreign currency, the Grant Recipient must convert the cost to U.S. dollar amount and provide documentation of the exchange rate used for the conversion



P&P Guide Reference:  
10.4.4 International Travel Requires  
Prior Approval

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## FSR – Contractual Travel

Contractual Travel Costs	Required Support Documentation
Airfare	Itemized Amount
Mileage	Itemized Amount
Hotel	Itemized Amount
Meals	Receipts
Taxi/Uber	Receipts

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## FSR - Travel Q & A

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# Financial Status Reports – Personnel / Fringe



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## FSR-Personnel/Fringe


- Timesheets are signed by employee and supervisor
- Payroll ledger included and it ties to GL
- All employees are listed on PLOE with Level of Effort for current award year
- Fringe expenses are listed by category for each employee

*Best Practice*

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# Personnel Level of Effort (PLOE)



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## PLOE - Checklist

- PLOE is updated prior to submitting FSR
- Each employee with salary/fringe has Level of Effort for current award year
- All employees with travel, tuition, stipend and conference fees are listed on the PLO

**Best Practice**



P&P Guide Reference:  
5.5.8 Personnel Level of Effort Form

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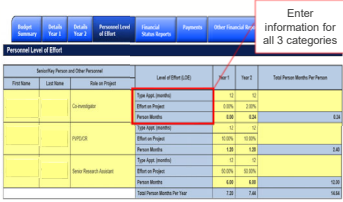
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## PLOE - Checklist

PLOE change requests contain all the following elements:

- type of appointment
- number of months
- % effort
- justification for the change



P&P Guide Reference:  
5.5.8 Personnel Level of Effort Form

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## PLOE

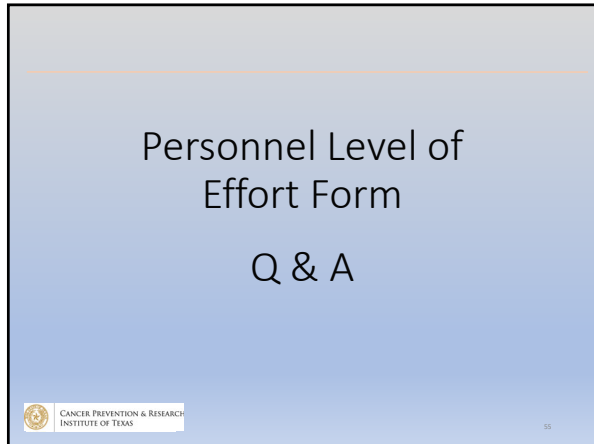
**reminder**

When grant moves to closeout status from active status (equivalent to the contract end date), the PLOE **cannot** be revised in CARS-CGMS, and any expenses related to personnel not listed on the PLOE **will not be reimbursed**

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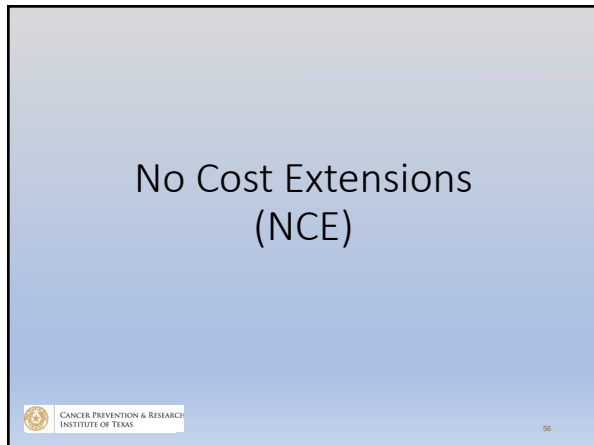
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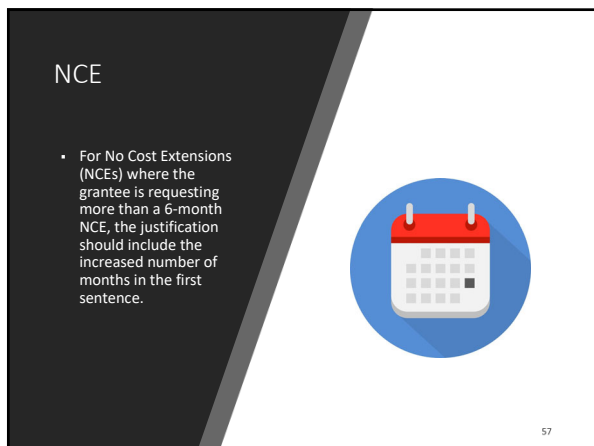
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## NCE

- No automatic approval of a grantee's first no cost extension request
- Must be submitted at least 30 days prior to contract termination but not more than 180 days prior



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## NCE

- For No Cost Extensions (NCEs) the **PLOE comes in as a zero by default** – make sure PLOEs are current and accurate for NCEs

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## NCE

Other Personnel	Level of Effort (LOE)	Year 1	Year 2	Year 3	Year 4	Total Person Months Per Person
Role on Project						
Program Coordinator	Type Appl. (months)	0	0	4	0.00%	
	Effort on Project	0.00%	0.00%	100.00%	0.00%	
	Person Months	0.00	0.00	12.00	0.00	12.00
Co-Program Director	Type Appl. (months)	12	12	12	12	
	Effort on Project	0.00%	0.00%	0.00%	0.00%	
	Person Months	0.96	0.96	0.96	0.00	2.88
Project Assistant	Type Appl. (months)	0	0	4	12	
	Effort on Project	0.00%	0.00%	60.00%	0.00%	
	Person Months	0.00	0.00	2.40	0.00	2.40
Program Assistant	Type Appl. (months)	0	0	4	12	
	Effort on Project	0.00%	0.00%	100.00%	0.00%	
	Person Months	0.00	1.20	1.20	0.00	2.40
Co-Program Director	Type Appl. (months)	12	12	12	12	
	Effort on Project	0.00%	0.00%	0.00%	0.00%	
	Person Months	0.96	0.96	0.96	0.00	2.88
Program Coordinator	Type Appl. (months)	0	0	4	12	
	Effort on Project	0.00%	0.00%	100.00%	0.00%	
	Person Months	0.00	0.00	4.80	0.00	4.80
Project Assistant	Type Appl. (months)	0	0	4	12	
	Effort on Project	0.00%	0.00%	100.00%	0.00%	
	Person Months	0.00	0.00	4.80	0.00	4.80
RFP/OCR	Type Appl. (months)	12	12	12	12	
	Effort on Project	50.00%	50.00%	50.00%	0.00%	
	Person Months	6.00	6.00	6.00	0.00	18.00
Project Assistant	Type Appl. (months)	0	0	4	12	
	Effort on Project	0.00%	0.00%	100.00%	0.00%	
	Person Months	0.00	0.00	1.20	0.00	1.20
Total Person Months Per Year		7.92	9.12	22.56	N/A	49.60

Example of a NCE which resulted in a Year 4 – automatically populates with zeros

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# Matching Compliance Certification (MCC)



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## MCC

- Institutions of Higher Education may use their Federal Indirect Cost Rate to fulfill match requirement
- Institutions of Higher Education **must upload to each grant record** most current indirect cost rate agreement
- If grantee uses a blended indirect cost rate calculation, grantee is **required** to have and follow a documented internal policy

P&P Guide Reference:  
6.4 Matching Funds Certification and Verification



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## MCC Support Documentation

- Grantees should upload 100% of matching support documentation at the time the MCC form is completed and uploaded to CGMS
- MCC will not be approved until all documentation is uploaded by the Grantee and reviewed by CPRIT



P&P Guide Reference:  
6.4.5 Documenting Compliance with Matching Funds Requirements



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MCC Support Documentation

Support documentation should include

- Matching Ledger
- Invoices related to Match expenses
- Proof of payment
- Applicable bank statements

P&P Guide Reference:  
6.4 Matching Fund Certification and Verification



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MCC

- A match deficiency may be carried forward and added to the matching fund requirement for the next project year so long as:
  - Deficiency is equal to or less than 20% of the total matching funds required for the same period; and
  - No prior matching funds deficiency



P&P Guide Reference:  
6.4 Matching Fund Certification and Verification



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MCC

Allowable Expenses Toward Match (not exhaustive list)
▪ Any expense that can be claimed for grant reimbursement
▪ Unrecovered indirect costs up to ten percent (10%) of the grant award amount (in addition to 5% indirect costs claimed for reimbursement) DOES NOT APPLY TO ACADEMIC INSTITUTIONS
▪ An employee's salary amount that exceeds CPRIT's \$200,000 cap
▪ Travel expenses that exceed the GSA per diem limit on hotel rates or meals
▪ Airfare costs that exceed coach class airfare
▪ Foreign travel related to CPRIT's funded project
▪ Taxes that are effectively user fees (hotel taxes, gasoline tax, or airfare tax)
▪ Immigration visa fees and associated costs for an employee listed on the PLOE
▪ Grantee professional association fees or dues (related to the CPRIT-funded project)
▪ Patent application fees and associated patent application preparation costs
▪ Moving costs of office furnishings or employees of companies relocating to Texas
▪ Security systems and ongoing security system monitoring fees for physical space



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MCC

- Grantee expenditures must be direct costs spent on the CPRIT-funded project or on closely related work
- ‘Closely related’ is interpreted as work that supports, extends, or facilitates the CPRIT project, even if the work is not supported by CPRIT funding



P&P Guide Reference:  
6.4.4 Examples of Appropriate Matching Funds Expenditures



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MCC



Grant funds for the next project year will not be disbursed until the matching funds verification for the previous year and certification for the upcoming year have been approved.



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Matching Compliance Certification

Q & A



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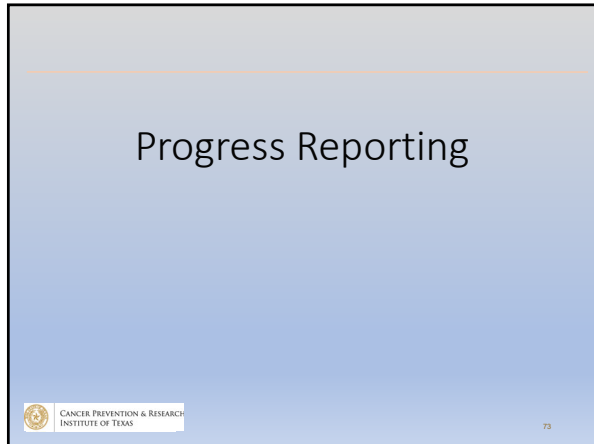
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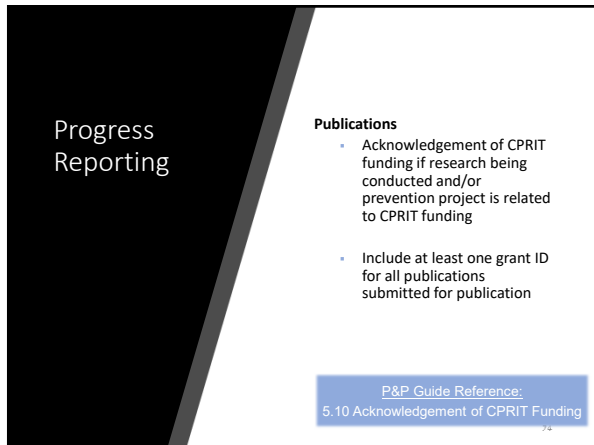
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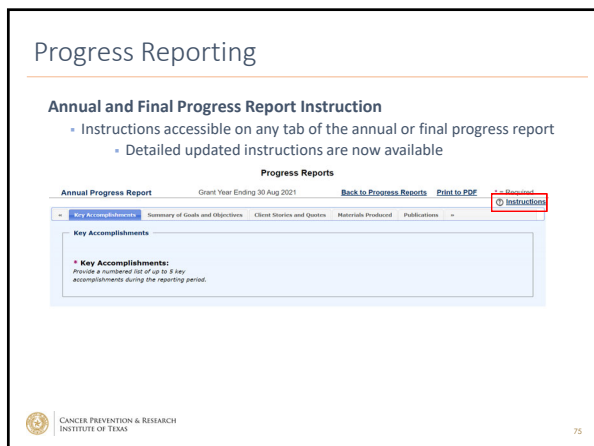
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# Programmatic Topics



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# Change of Approved Goals and Objectives



- Any changes to the scope of work or budget should be consistent with the guidance provided by reviewers and must be approved by CPRIT

P&P Guide Reference:  
11.3 Goals and Objectives

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Prior written approval must be given by CPRIT for the transfer of an award to another Principal Investigator

**Required documents for review:**

- Context and justification for change
- Bio-sketch of proposed PI
- Resources (equipment, supplies, personnel) available to proposed PI
- Describe impact of change on the project goals and objectives, budget, key personnel, original timeline and CPRIT required reporting.
- Upload a revised budget and level of effort for all key personnel in an ad-hoc folder in CGMS

# Change of PI/Co-Investigator

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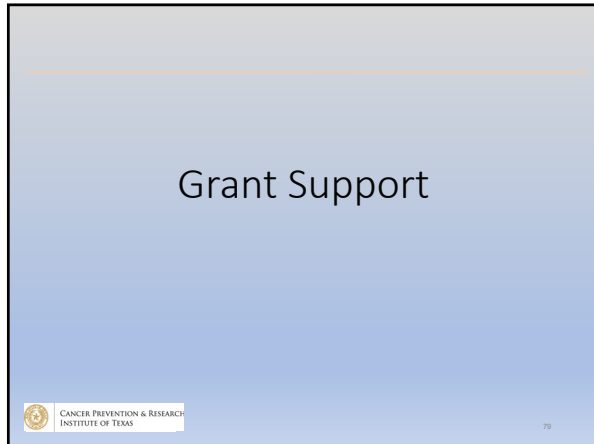
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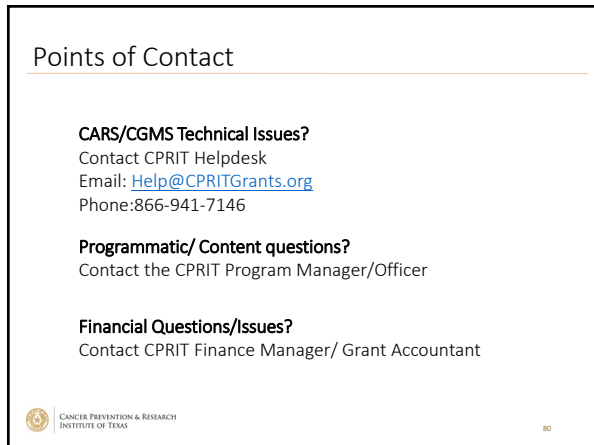
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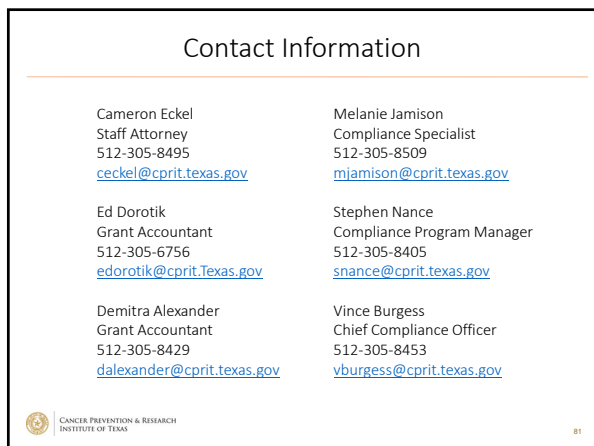
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Annual Compliance Training  
March 2022



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Academic Research

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