



CANCER PREVENTION & RESEARCH
INSTITUTE OF TEXAS

Oversight Committee Meeting Minutes

August 20, 2014

1. Meeting Called to Order

A quorum being present, Dr. Rice called the Oversight Committee to order at 10:02 A.M.

2. Roll Call /Excused Absences

Ms. Mitchell called the roll. All present except Dr. Rosenfeld. Ms. Mitchell announced that Dr. Rosenfeld had notified CPRIT he would be unable to attend.

MOTION:

Dr. Rice asked for a motion to approve an excused absence for Dr. Rosenfeld.

Motion by: Montgomery

Seconded by: Geren

MOTION CARRIED UNANIMOUSLY

3. Adoption of Minutes from the May 21, 2014 meeting

Dr. Rice informed the committee that the meeting packet included the minutes from the May 21, 2014, meeting. There were no comments.

MOTION:

Dr. Rice called for a motion to approve the minutes.

Motion by: Montgomery

Seconded by: Mulrow

MOTION CARRIED UNANIMOUSLY

4. Public Comments

Dr. Rice informed the committee that no requests for public comment had been received.

5. Chief Executive Officer Report

Dr. Rice recognized Mr. Roberts to present the Chief Executive Officer Report. Mr. Roberts reported the following:

New Employees

Employees that joined CPRIT since the May Oversight Committee meeting were introduced. Cathy Allen, David Escamilla, and Mark McCollum are grant specialists and Wilfredo “Freddy” Ruiz, is a grant accountant.

Dashboard Update

The dashboard was presented with two new elements included. Mr. Roberts called attention to item 6, Revenue Sharing Payments Received. CPRIT recently received a lump sum payment of \$1.2 million from a grantee, Visualase. The payment was triggered by the grant award contract, which permitted Visualase to buy out their ongoing revenue sharing obligation to CPRIT by repaying the grant funds already received from CPRIT plus interest. Visualase exercised this option due to acquisition by another entity.

Kristen Doyle, Chief Advisor and General Counsel, stated that Visualase was awarded the grant in 2010 and the company had received approximately \$1.4 million in grant payments from CPRIT to date. In addition to the \$1.2 lump sum payment, Visualase has already made payments to CPRIT pursuant to the company’s revenue sharing obligations. The total amount paid by Visualase to CPRIT and deposited in the State Treasury over the course of the grant is approximately \$2.1 million.

Facilities Update

CPRIT employees will begin the move to the Wells Fargo Building on August 21. The move must be completed by noon August 22, 2014. Unpacking will occur on August 25 and CPRIT will be fully operational by August 26.

Legislative Activities

The House Select Committee on Economic Development Incentives will hold a meeting at 10:00 A.M. on Wednesday, September 24th on the University of Houston campus in Houston. CPRIT will give a 10 minute overview of its economic incentives and how they will benefit Texas. This overview will largely focus on the Product Development program.

On August 14, CPRIT presented an overview to the Senate Health and Human Service Committee. Hearing materials were distributed to the Oversight Committee. This is the core material to be used during the upcoming session, updated periodically to include items of interest to the legislative members or committees being addressed. The supplemental book contains items of interest, but not necessarily things that will be discussed each meeting.

The meeting with the Senate committee went smoothly. Senator Nelson asked if CPRIT is satisfied with the statutory tools provided to manage the agency, to which Mr. Roberts said he was. Mr. Roberts told the Oversight Committee that he is not satisfied with progress on compliance, but is encouraged by recent developments in the metrics indicating greater compliance. Getting good measures on reporting status is a positive step on which the agency can act. Getting good measures has been difficult with one

hindrance being agency staffing levels. Several positions were left open until the Chief Executive Officer was permanently hired, and he has since moved deliberately to fill new positions and those resulting from routine staff turnover. Mr. Roberts thinks that when CPRIT reaches the full 32 FTE's currently allowed, the current number of compliance staff will not be sufficient to accomplish the compliance level expected. When Mr. Roberts arrived at CPRIT in December 2012, only three employees were reviewing expenditure reimbursement requests and other administrative reports required of nearly 500 grantees. This matter will be discussed with the CPRIT Oversight Committee Audit Subcommittee (Dr. Rice clarified that the compliance, post award process, not the peer review process, is under discussion. Mr. Roberts said he was satisfied with the peer review process.) Of those three employees, two were contract workers. This observation became the basis for Mr. Roberts' legislative request for eight new positions for compliance and to add redundancy in other areas to mitigate risk. CPRIT has more than 500 active awards, each required to submit at least 12 reports yearly. Of the resulting 6,400 required reports each year, 2,100 are financial status reports. As of today, CPRIT's administrative expenses are low: 4.4% - program operation; 1.5% - indirect administration; for a total of 5.9% for overhead. Overhead that is too low can put the enterprise at risk.

On August 15, CPRIT received the Weaver and Tidwell report, which is discussed later, giving a possible approach to enhancing the existing compliance program. Staff hasn't been able to review sufficiently for a meaningful discussion today of its merits and possible shortcomings. Mr. Roberts intends to have a strong compliance program and believes the best compliance program is one in which potential compliance issues are addressed before the issues develop into reportable problems. This means that compliance staff, and everyone in CPRIT, work with grantees to make sure they understand CPRIT requirements, identify issues before they become problems, and operate as partners with our grantees to ensure compliance. It serves no one if CPRIT rejects funding reimbursement to grantees in such a way that thwarts a research or prevention project. Doing so for any reason other than fraud, waste or abuse, will be considered a shortcoming on CPRIT's part.

Since May, Heidi McConnell, Chief Operating Officer, restructured the financial status report (FSR) review process and added more grant accountants. Previously one person was responsible for final approval of all reports. After the restructuring, each grant recipient is permanently assigned to one of three grant accountants. Each accountant is responsible for reviewing and processing the reports submitted by their assigned entity. Every report receives a second review by someone other than the original reviewer. The restructuring and additional staffing distributed workloads, thereby eliminating the bottleneck created by the single-approver process.

CPRIT has early indications that this restructuring is working. In May CPRIT processing time for an FSR was 66 days. By early August the processing time was down to 14 days and some were processed within 24 hours. CPRIT is more responsive to grantees with this new system, answering questions, and reaching out to grantees who have issues with pending reports. For the month of June, CPRIT issued 156 grant vouchers totaling

\$10.4 million dollars. During roughly the same period between mid-July and mid-August, CPRIT issued 312 vouchers totaling \$33.1 million. CPRIT doubled the number of vouchers and tripled amount of reimbursements issued.

Another development since May was the hiring of three grant specialists in addition to a grant accountant, and repositioning Sandra Balderrama as the grant specialists' manager. The first project they undertook was determining the number of delinquent reports: in May, Chief Compliance Officer David Reisman could not determine the number of delinquent FSR's. Since then, that number has been determined to be 180. Now, delinquencies are 157—a direct result of grant specialists opening every active grant to determine the number of delinquent FSR's. Sixty grant projects at 11 entities are at least one FSR behind—some more. Determining these numbers was a month-long effort to open every files for every award CPRIT has ever given. The grants specialists identified reports that were missing in the electronic system, located hard copies in our files, and reported that information to the third party grant management system.

The second project undertaken by the grant specialists and the grant accountants is to reduce the number of delinquent reports, including FSR's. In this regard, staff is working with the individual grantees to notify them of required reports that have not been submitted and provide assistance as the grantees prepare the reports. In early August the total number of delinquent reports was 535. After staff undertook the intensive communications outreach, the number of late reports dropped to 387 in one week. Mr. Roberts said he believes this summary indicates that staff takes noncompliance seriously and aggressively addresses noncompliance issues. Additional steps will be taken and further enhancement to the compliance program will be discussed with the Audit Subcommittee and then the full Oversight Committee. Mr. Roberts concluded by reaffirming that CPRIT's role is to fund and facilitate world class projects and address our mission to mitigate cancer in our lifetimes. This must be done transparently, with accountability and strict documentation to measure that accountability.

Dr. Rice clarified that if an institution gets behind on FSR reports, it must catch up one at a time. Faster turnaround of review means that grantees can catch up faster. Mr. Roberts said the goal is to reach zero delinquencies because they won't be reimbursed if they don't keep in compliance. Mr. Montgomery asked if a zero policy is realistic. Mr. Roberts said there will probably always be some delinquencies, but it will be low and the goal remains zero. Mr. Montgomery asked if the form is too complicated or if staff just don't complete the reports. Ms. Doyle noted that grantees at universities that receive grants from the federal government are also required to file reports each year, although CPRIT requires more backup information, particularly for the financial reports. Restructuring the review and approval process for FSR's has allowed the grant accountants to ask for more information instead of rejecting the entire report, which may expedite the overall review process. Ms. Doyle said the 30-day grace period to file late FSR's after the due date will help with giving time for report preparation before the grantee is at risk for waiving reimbursement. Mr. Montgomery asked if an incomplete report is considered delinquent. Ms. Doyle responded that a report is considered delinquent if no report was filed with CPRIT; an incomplete report filed by the due date

would not be delinquent. Ms. Doyle also said grantees can request a deferral in emergencies to submit a 6-month report instead of a 3-month report. Mr. Geren said many grantees operate in a culture that doesn't put a premium on punctual reporting. He feels it would be beneficial to get inside their systems and see what their processes are and then work with them to reform from the inside. Mr. Roberts said he doesn't feel the institutions consider reporting unimportant, but they have limitations on staffing. Their bookkeeping is such that funds are comingled in a way that researchers get paid for their work but allocation to appropriate grant accounts may linger. Ms. McConnell monitors CPRIT's available funds to be sure sufficient money exists to fund current grants and to make new ones. Mr. Roberts said the compliance program is designed to ensure grantees report as required by the grant contract and state law and administrative rules. Mr. Roberts will be contacting university presidents when it appears a funding cut off could occur. Mr. Geren agreed that speaking with the head of the institutions would be beneficial.

Mr. Montgomery asked about the grantee compliance/delinquent visits reported on the dashboard and if this item would go down over time. Mr. Roberts said yes, that the job of grant specialists and grant accountants is to train the grantees and once trained, periodic but less frequent training will occur.

Dr. Mulrow stated that CPRIT needs more active methods of monitoring, like frequent site visits, and wants it better understood by the grantees who is in charge of issues dealing with compliance, i.e., is one person in the agency responsible or multiple contacts across the agency. Mr. Roberts said currently it is multiple people. Grant accountants are in fiscal operations, reporting to Ms. McConnell. Grant specialists, for administrative purposes, direct report to Ms. Doyle, but also share direct reporting responsibilities to Mr. Reisman. The Chief Compliance Officer is responsible for reporting findings in regard to delinquencies and non-compliance. It is less of his role operationally to address the delinquencies. The Weaver report suggests some changes in these roles. Dr. Rice stated he appreciates the work being done and looks forward to receiving reports showing the reduction in delinquencies.

6. Chief Compliance Officer Report

Dr. Rice recognized Mr. Reisman to present the Chief Compliance Officer Report.

Monitoring Submission Status of Required Grant Recipient Reports

Mr. Reisman explained why the numbers for delinquent reporting of FSR's are high. He noted that the total number of delinquencies has dropped significantly. He said that most of the backup was the result of the moratorium. During that time, no grants were contracted. When the moratorium was lifted, contracts went into effect as of the date of the original award, making the effective date in the past and all reports were automatically due and considered late in the system. Since the reports could only be accepted and approved one at a time, it is difficult for an entity to get current quickly. CPRIT is catching up now due to the work of multiple grant specialists and accountants.

Approval processing time was 66 days and is now down to hours in some instances. The number of delinquencies is anticipated to continue to decline.

Mr. Reisman discussed briefly the enhancements to the system: the new grant specialists and accountants, and the multi-approver process.

Dr. Rice asked about the 35 delinquent FSR's on one report versus the 147 reported elsewhere. Mr. Reisman explained it was due to entities having multiple reports in the queue.

Mr. Montgomery asked how long Mr. Reisman expected before delinquencies would be down to acceptable rates. Mr. Reisman said that at the current rate of reduction, the FSR's will be done by October.

Dr. Mulrow asked if there is any monitoring of FSR reports and what information is in the reports. Mr. Reisman said that backup information is reviewed, then another specialist reviews the report to be sure it's properly done. This ensures both the reporting time and the information in the reports are correct. Mr. Roberts said that SRA also reviews annual grant progress reports through expert reviewers.

Dr. Rice asked if senior staff was required to analyze or summarize the qualitative information coming in from grantees by the required reports. Mr. Roberts said that we are working with grantees and the grant management system to improve the quality and standardize the information from the reports.

Mr. Geren noted that the issue is not so much on the front end, but that when a researcher at an institution is working on six different grants, there may be internal pressure on that researcher to allocate time on those grants where the report is due and it may not reflect accurately how that person has spent time. Therefore the qualitative side is important. He noted that it's hard and may be more labor intensive than is justified. He requested more information on the reports and Mr. Roberts affirmed he would get more information. *(Note: Staff will report on the number and content of reports at subsequent meetings and subcommittees.)*

Mr. Reisman noted that interaction with grantees has improved and it's reflected in the decreasing number of delinquencies.

Compliance Program Design Recommendations

Mr. Reisman said Weaver submitted their final report of a proposed design for CPRIT's compliance program. The report will be reviewed by the Audit Subcommittee.

Ethics Training

CPRIT staff has received ethics training. In addition, the Oversight Committee needs training. Mr. Reisman suggested scheduling 30-minute sessions to occur twice annually, possibly occurring immediately preceding an Oversight Committee meeting. The Oversight Committee member training would cover timely and relevant ethics and

compliance topics. Dr. Rice suggested that the sessions might be offered before several different meetings so everyone has an opportunity to receive the training at their convenience without trying to coordinate all schedules for one meeting. Mr. Reisman informed the committee that three different forms attesting to compliance with ethics regulations must now be submitted by each CPRIT employee annually. He noted that Oversight Committee members had each been given the three to be filled out and returned to him today.

7. Chief Operating Officer Report

Dr. Rice recognized Ms. McConnell to present the Chief Operating Officer Report.

FY 2014, Quarter 3 Operating Budget

CPRIT expended or obligated approximately \$193.2 million in total between agency operating expenditures and grant award encumbrances by the end of May. Out of that about \$8.1 million was expended for operations between grant review and award operations and the indirect cost strategies we have. The remaining amount was for the obligations CPRIT made in grant awards through the meeting in May.

Debt Issuance History

With respect to the debt issuance, another \$60.3 million was issued in June. This was the final issuance for FY 2014, and brought the total commercial paper notes issued to \$162.5 million. Ms. McConnell drew attention to the fact that in the dashboard metric, the grant reimbursements that were processed through the entire year were \$141.3 million, so there is a correlation between what we're issuing now and what we're processing. The remainder between the \$162.5 million and \$141.3 million is operating costs and transfer to the Texas Cancer Registry. Given the discussion earlier about grantees needing to expend funds so that CPRIT can issue the money and expend it is important. Ms. McConnell also pointed out that the Texas Public Finance Authority (TPFA) exchanged \$261.2 million of issued commercial paper notes into long-term general obligation bonds, which is done as TPFA deems appropriate. CPRIT expects approval of the \$300 million for FY2015 and issuances to begin again in September.

Dr. Rice asked why the materials show 2014 appropriated at \$261 million and budgeted at \$252 million, a \$9 million difference. Ms. McConnell said it is due to transfers from the research awards budget line item to operating costs and for the agency move, which has not yet been authorized by the LBB.

8. Chief Prevention and Communications Officer Report

Dr. Rice recognized Dr. Rebecca Garcia to present the Chief Prevention and Communications Officer report.

Communications

Key articles from the past quarter were provided in the Communications Update section of the committee materials. Some of the articles published were a result of media interviews the communications staff scheduled for CPRIT leadership.

The May grant awards were announced in a press release to local, regional, and national media. New funding opportunities were also publicized as they became available. When CPRIT completed the implementation of the State Auditor's Report, an announcement was sent to the Texas Legislature.

With the support of Hahn Public Communications, a new CPRIT logo and standard design templates were created and are in the process of being rolled out. In addition to the branding materials, key messages are being developed to effectively communicate the work that CPRIT and the grantees are doing.

Planning the CPRIT 2015 Conference is one of Communication's responsibilities. An RFP for a hotel venue was released on August 13, with proposals due back by September 30, 2014. Once proposals are received, the budget will be refined and recommendations submitted to the Audit Subcommittee for consideration.

CPRIT is in discussions with the Texas Public Broadcasting System to explore options to participate in the release in Texas of the Ken Burns' new documentary on *The Emperor of all Maladies: A Biography of Cancer*.

Mr. Montgomery asked if it was worth considering having Hahn Public Communications actively placing CPRIT's messages in key publications. Dr. Garcia affirmed that was a part of the Communications strategy.

9. Program Priorities Project

Dr. Rice called on Dr. Garcia and Mr. Roberts to update the committee on the Program Priorities Project. Dr. Garcia reported that the subcommittee meetings in July led to substantive discussions on establishing program priorities, guidelines for making grant decisions and ideas for priorities across programs. Mr. Robert Mittman facilitated those discussions. On August 15 the subcommittee chairs continued the discussion of across-program guidelines for decision making. The work that has occurred to date is to prepare for the September 3, 2014, work session on priorities. At those discussions, there will be an opportunity for public comment. Additionally, the University Advisory Committee and the Childhood Cancer Advisory Committee have been invited to comment. After the September 3 meeting, a draft report will be prepared and made available for public comment through the CPRIT website. The goal is to collect comments and have a final draft prepared for the November Oversight Committee meeting.

Mr. Montgomery asked what the final document would contain. Dr. Garcia said it's expected to have the program priorities and guidelines that the Oversight Committee

selects to help guide funding decisions. The content will be determined by the Oversight Committee at the September meeting.

Ms. Mitchell noted that the University Advisory Committee has already provided comments.

10. Prevention Program Report and Grant Recommendations

Dr. Rice called on Dr. Garcia to report on the prevention program and grant recommendations.

Prevention Program Update

For the update to the Prevention Program, Dr. Garcia referred members to the memo behind Tab 7 in their committee materials.

Grant Recommendations

CPRIT issued three Requests for Application (RFAs) in December 2013. The Evidence-Based Cancer Prevention (EBP) Services, the Health Behavior Change through Public Education, and the Competitive Continuation/Expansion RFAs. In February CPRIT received 50 applications, 47 of which went through full review and three were withdrawn for administrative reasons. Twenty-three of those went on to be discussed at the two panel meetings. The Prevention Review Council is recommending 15 grants for approximately \$17.6 million.

From 40 approved reviewers, the Prevention Council Chairs recruited 27 to be on two panels. Recommendations for awards are being presented from EBP Services mechanisms and the Continuation/Expansion mechanisms. There are no funding recommendations from the Public Education mechanism.

The six Evidence Based Prevention projects were:

Appl. ID	Title	PD	Organization	Total Recommended Budget
PP140208	Increasing HPV Vaccinations in Harris and Jefferson Counties Using Combined Evidence-Based Approaches in a Federally Qualified Health Center	Megdal, Tina	Legacy Community Health Services	\$1,500,000
PP140183	Multi-component Interventions to Increase HPV Vaccination in a Network of Pediatric	Vernon, Sally W	The University of Texas Health Science Center at Houston	\$1,495,388

Appl. ID	Title	PD	Organization	Total Recommended Budget
	Clinics			
PP140211	Tiempo de vacunarte! Time to get vaccinated!	Penaranda, Eribeth K	Texas Tech University System Health Sciences Center at El Paso	\$1,499,993
PP140176	SMS Cessation Service for Young Adult Smokers in South Texas	Ramirez, Amelie G	The University of Texas Health Science Center at San Antonio	\$1,400,045
PP140018	Improving Access to Colorectal Cancer Screening in East Texas	Sauter, Edward	The University of Texas Health Center at Tyler	\$1,269,216
PP140209	Building a Healthy Temple Cancer Primary Prevention Program amongst Hispanics	He, Meizi	The University of Texas at San Antonio	\$573,095

The nine Continuation/Expansion projects were:

Appl. ID	Title	PD	Organization	Total Recommended Budget
PP140026	Bridging Access to Breast Healthcare Services	Letman, Vanessa L	The Bridge Breast Network	\$1,497,357
PP140171	Navigating Rural Highways II: Expanding Access to Breast Cancer Screening and the Care Continuum for Underserved Texas Women	Joseph, Bernice	The Rose	\$539,144
PP140033	Access to Breast and Cervical Care for West Texas (ABC24WT)	Layeequr Rahman, Rakshanda	Texas Tech University Health Sciences Center	\$1,499,670

Appl. ID	Title	PD	Organization	Total Recommended Budget
PP140205	Eliminating Cancer Disparities in Medically Underserved Immigrant and Refugee Populations in Houston Texas	Caracostis, Andrea	Asian American Health Coalition of Greater Houston, Inc. dba Hope Clinic	\$1,496,840
PP140028	Empowering the Medically Underserved Through a Community Network for Cancer Prevention	Jibaja-Weiss, Maria	Baylor College of Medicine	\$1,499,234
PP140164	ACCION 2: Against Colorectal Cancer in our Neighborhoods: El Paso and Hudspeth County	Shokar, Navkiran LK	Texas Tech University Health Sciences Center at El Paso	\$1,499,438
PP140182	Population Based Screening for Hereditary Breast and Ovarian Cancer Syndrome and the Lynch Syndrome in the Underserved	Argenbright, Keith E	The University of Texas Southwestern Medical Center	\$1,499,872
PP140049	Educating Hispanic Adolescents and their Families on Cervical Cancer Prevention and HPV Vaccination in Community and Clinic Settings	Morales-Campos, Daisy	The University of Texas Health Science Center at San Antonio	\$149,985
PP140210	Cancer Genomics Training Program for a Competent Texas Health Education Workforce	Chen, Lei-Shih	Texas A&M University	\$149,991

Dr. Garcia pointed out that one of CPRIT’s legislative measures is to cover 100% of the 11 regions in Texas. With this slate of awards, 100 % of the regions of Texas will be covered, and 80% of Texas’ 254 counties.

Dr. Rice referred to the synopsis of the 15 awards is on pages 7 and 8 in the Oversight Committee’s Grant Award Recommendations and Supporting Information book that accompanied the meeting packet. He commented that Dr. Garcia had said in the past that the Prevention Program has touched approximately 1.6 million Texans. With this slate, he asked for a general sense of the overall number of people that are anticipated to be affected. Dr. Garcia said that the grantees are required to state in their application how many people they expect to reach. From the first mechanism they expect 905,000 people.

They distinguish between reached and served because reached can be through passive means, but then they are asked to state actual numbers to which they provide services. These are estimates from their application. When they submit quarterly reports, actual data on people and services are collected. So for these 15 applications, they anticipate 594,000 people will be touched.

Compliance Certification (David Reisman)

Regarding the Evidence-Based Prevention Award Slate, the Continuation/Expansion Grants Award Slate, and the Health Behavior Change Through Public Education Applications, Mr. Reisman reviewed the grant documentation including third party observer reports for the Peer Review Meetings and is satisfied that the application review process resulted in the nine applications recommended followed applicable laws and agency administrative rules. He noted that the background information could be found starting on page 15 of the Oversight Committee's Grant Award Recommendations and Supporting Information book. He then certified the two award slates, the Evidence Based Cancer Prevention Award Slate and the Competitive Continuation/Expansion Grants Award Slate for Oversight Committee approval.

CONFLICT OF INTEREST NOTIFICATIONS

Dr. Rice noted for the record that Oversight Committee members have reported conflicts of interest with the some of the applications to be considered. Specifically, Ms. Mitchell and Mr. Montgomery both report conflicts with applications submitted by the following institutions:

- Texas A&M University
- The University of Texas Health Science Center at Tyler
- The University of Texas Health Science Center at Houston
- The University of Texas Health Science Center at San Antonio
- The University of Texas at San Antonio
- The University of Texas Southwestern Medical Center

Ms. Mitchell also reported conflicts of interest with applications submitted by Baylor College of Medicine, Texas Tech University Health Sciences Center and Texas Tech University Health Sciences Center at El Paso.

In accordance with CPRIT's rules, Dr. Rice noted that Ms. Mitchell and Mr. Montgomery were recused from the discussion or action on the applications where they have reported a conflict of interest that arises from their firms' relationships with those entities.

Dr. Rice stated the list of the application ID numbers that members report conflicts with was included in the Supporting Information book. He stated copies of the list are available to the public attending the meeting. Dr. Rice noted that he would sign the list and require that the list be included in the certified copy of the minutes for this meeting. Dr. Rice asked if there were any other conflict of interest declarations for Oversight Committee members that had not be previously noted. None was heard.

APPROVAL PROCESS – Evidence-Based Cancer Prevention and Competitive Continuation/ Expansion Grant Awards

Dr. Rice stated that members had the list of applications and grant amounts recommended by the PIC for Evidence-Based Cancer Prevention and Competitive Continuation/ Expansion grant awards.

He noted that the PIC's recommendation would be approved if two-thirds of the Oversight Committee members present and able to vote approved the PIC's funding recommendations. Rather than taking up each recommendation individually, Dr. Rice asked for a vote for the awards and award amounts as listed on pages 7 and 8 of the letter from the PIC Chair dated August 4, 2014.

He stated the vote would be taken in three groups. The first group was the group of applications that both Ms. Mitchell and Mr. Montgomery are in conflict.

MOTION:

Dr. Rice called for a motion to approve each of the PIC's recommendations for grant awards and award amounts for applications submitted by:

- Texas A&M University
- The University of Texas Health Science Center at Tyler
- The University of Texas Health Science Center at Houston
- The University of Texas Health Science Center at San Antonio
- The University of Texas at San Antonio
- The University of Texas Southwestern Medical Center

Motion by: Mulrow

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

Dr. Rice noted for the record that Ms. Mitchell and Mr. Montgomery abstained from voting.

MOTION:

Dr. Rice called for a motion to approve each of the PIC's recommendations for grant awards and award amounts for applications submitted by Baylor College of Medicine, Texas Tech University Health Sciences Center and Texas Tech University Health Sciences Center at El Paso.

Motion by: Angelou

Seconded by: Mulrow

MOTION CARRIED UNANIMOUSLY

Dr. Rice noted for the record that Ms. Mitchell abstained from voting.

MOTION:

Dr. Rice called for a motion to approve each of the PIC's recommendations for grant awards and award amounts for applications submitted by Legacy Community Health

Services, Asian American Health Coalition of Greater Houston, The Bridge Breast Network, and The Rose.

Motion by: Mulrow

Seconded by: Mitchell
MOTION CARRIED UNANIMOUSLY

MOTION:

Having approved the PIC recommendations, Dr. Rice called for a motion to delegate contract negotiation authority to the Chief Executive Officer and CPRIT staff and to authorize the Chief Executive Officer to sign the contracts on behalf of CPRIT.

Motion by: Mulrow

Seconded by: Angelou
MOTION CARRIED UNANIMOUSLY

11. Chief Scientific Officer Report and Grant Award Recommendations

Dr. Rice recognized Dr. Margaret Kripke to present the Chief Scientific Officer Report and Grant Award Recommendations.

Dr. Kripke said CPRIT has received the grant applications for the next set of RFA's, the untargeted Individual Investigator Awards and the two targeted ones for prevention and early detection and the other for childhood and adolescent cancers. Those RFA's have closed now so we know that there were 57 applications submitted for the childhood cancer awards and 66 applications submitted for prevention and early detection research. Most of them appear to be for early detection and some for prevention.

Dr. Rice asked what volume was seen for the Individual Investigator awards. Dr. Kripke said the total was 404, so it was a little less than 300—compared to the 483 applications submitted for Individual Investigator awards for today's awards. It was believed that the high number of applications submitted last time was a result of pent up demand, and that appears to have been borne out in the smaller number of applications submitted for the current RFA.

These applications are currently being assigned to various reviewers and will be addressed by the Peer Review Panels at the end of October and beginning of November. These applications will come to the February 2015 Oversight Committee meeting.

Also, the newest set of RFA's has been released, this time for Multi-Investigator Research Awards, Core Facilities Awards, and another round of the High Impact-High Risk grants. Those have not yet closed and will be reviewed next spring.

Dr. Kripke stated that Mr. Montgomery had requested a schedule of the research grant funding cycles and that schedule was on page two of Tab 8 in the Oversight Committee meeting packet. Grant mechanism 14.1 is the one being dealt with today. Staff is putting these cycles on a schedule for the Oversight Committee. In the future, research grants will only be brought to the Oversight Committee in February and May.

Dr. Kripke indicated that the Recruitment awards are handled differently. Those are open continuously. CPRIT has now increased the reviews by the Scientific Review Council to once a month. This was done at the suggestion of the University Advisory Committee (UAC), who requested it be done more often than quarterly because of the difficulty of recruitment and the need to move quickly on new recruits. The most important time for that group to have decisions made is in March and April, since most of the recruiting at the universities happen July 1-September 1. This may necessitate a special meeting of the Oversight Committee to deal with recruitment applications during that time, depending on the number of applications received.

Dr. Rice noted that Mr. Holmes attended the UAC meeting and his presence was greatly appreciated. Dr. Rice noted that the Oversight Committee did not want its meeting schedule to impede the ability to recruit the finest people available, so adding a meeting to the schedule is a good suggestion.

Applications recommended for funding by the CPRIT Scientific Review Council (SRC) have been reviewed and approved by the Program Integration Committee. Applications were submitted in response to two scientific research award Requests for Applications (RFAs): Individual Investigator Research Award (RFA R-14-IIRA-1), and High Impact/High Risk (RFA R-14-HIHR-1). One hundred applications were received for the HIHR award mechanisms, and 484 were received for the IIRA mechanism. No applications were administratively rejected, one was withdrawn by the applicant, and 583 were reviewed. Seventy-six applications are being recommended for funding, for a combined amount of \$54,277,535.

Individual Investigator Research Award (RFA R-14-IIRA-1)

Applications Receiving Preliminary Evaluation	483
Applications Receiving Full Review	220
Applications Recommended:	61
Total Funding Request:	\$51,279,773

The majority (52%) of those applications are for research in cancer biology (studying basic mechanisms in cancer, identifying altered genes, and looking at mechanisms of cancer spread). Another 25% are on new approaches to treatment, trying new drugs and finding new compounds for further development. About 10% are for early detection, diagnosis, and prognosis. The remaining few are in etiology of cancer, and one each in model systems and cancer control.

High Impact/High Risk (RFA R-14-HIHR-1)

Applications Reviewed:	100
Applications Recommended:	15
Total Funding Request:	\$2,997,762

The application success rate was 15%. These are small grants at a maximum of \$100,000 per year for two years. These are “idea” grants that don’t require preliminary data as long the application makes sense and is feasible.

Among these grants, four are gene discovery; three are identifying targets for therapy; three are new immunotherapy approaches to treat cancer; two are on viruses in cancers; two are on the development of new technologies; and one is on studying proton therapy. Three of the grants are go to Baylor, three to UT-Austin, two to UT-Southwestern, two to Texas Tech, two to Texas A&M, one to M.D. Anderson, one to Scott and White, and one to UT-San Antonio. Thus, there is a good spectrum of recipients and of projects.

The list of grants is as follows:

App ID	Award Type	Organization	Application Title	Budget
RP140244	IIRA	The University of Texas M. D. Anderson Cancer Center	Regulation of MDM2-mediated oncogenesis and anti-tumor immunity by USP15	\$870,156
RP140412	IIRA	The University of Texas Southwestern Medical Center	Endotrophin and the Obesity/Cancer Nexus: Role in Growth and Chemoresistance	\$899,997
RP140597	IIRA	The University of Texas M. D. Anderson Cancer Center	Role of TJP1 in Sensitivity and Resistance to Proteasome Inhibitors in Myeloma	\$900,000
RP140655	IIRA	The University of Texas Southwestern Medical Center	Evaluation of the role of tumor suppressor candidate NPRL2 in cell growth control	\$596,265
RP140350	HIHR	Baylor College of Medicine	Integrated Human Herpesvirus 6 as a Novel Heritable Risk Factor for Glioma	\$199,298
RP140606	IIRA	The University of Texas M. D. Anderson Cancer Center	Optimizing therapy for glioblastoma through genomic profiling of treatment failure	\$900,000
RP140672	IIRA	The University of Texas Southwestern Medical Center	Mutant KRAS reprograms lipid metabolism exposing beta-oxidation as a novel therapeutic target in lung cancer lung cancer	\$687,759
RP140402	IIRA	The University of Texas Southwestern Medical Center	Novel targets for acute myeloid leukemia treatment	\$900,000
RP140464	IIRA	The University of Texas M. D. Anderson Cancer Center	Next Generation Sequencing and Transcriptome Profiling of Oral Potentially Malignant Lesions to Identify Markers of Cancer Risk and Targets for Chemoprevention	\$900,000
RP140612	IIRA	The University of Texas M. D. Anderson Cancer Center	Collateral Genomic Deletions As Targetable Vulnerabilities in Cancer	\$900,000
RP140469	IIRA	Baylor College of Medicine	Novel Small Molecule Probes Targeting IDH Mutated Glioma	\$695,527

App ID	Award Type	Organization	Application Title	Budget
RP140323	IIRA	The University of Texas M. D. Anderson Cancer Center	Role of a novel histone variant-specific epigenetic reader ZMYND11 in breast cancer	\$899,534
RP140408	IIRA	The University of Texas M. D. Anderson Cancer Center	Identificaiton of a novel mechanism of mTORC1 and autophagy regulation for cancer therapy.	\$900,000
RP140462	IIRA	The University of Texas M. D. Anderson Cancer Center	Systematic Investigation of Clinically Relevant Expressed Pseudogenes in Cancer	\$870,539
RP140132	IIRA	Rice University	Towards Point-of-Care Nucleic Acid Cancer Diagnostics	\$900,000
RP140517	IIRA	The University of Texas at Dallas	Optimal Biomarkers for Personalized Cancer Therapy: A Network-Based Approach	\$490,689
RP140285	IIRA	The University of Texas Southwestern Medical Center	Noninvasive Identification of Prostate Tumor Hypoxia as a Prognostic Biomarker of Radiation Response	\$895,820
RP140664	HIHR	The University of Texas at Austin	Development of therapeutic antibodies having both Fc[gamma] and Fc[Alpha] effector functions and displaying potent cancer cell killing.	\$200,000
RP140329	HIHR	The University of Texas M. D. Anderson Cancer Center	Opening the central nervous system to immunotherapy by blocking TREK1	\$198,957
RP140181	IIRA	Baylor College of Medicine	Mechanisms of CTC Biomarkers in Breast Cancer Brain Metastasis	\$899,968
RP140252	IIRA	Baylor College of Medicine	Investigating and preclinical targeting molecular drivers of muscle-invasive bladder cancer	\$827,451
RP140262	IIRA	The University of Texas M. D. Anderson Cancer Center	Intrinsic Reward Sensitivity & Smoking Cessation with Varenicline or Patch NRT	\$899,505
RP140784	IIRA	Baylor Research Institute	Next Generation Sequencing-Based Approaches for the Development of Epigenetic Biomarkers for Predicting Therapeutic Outcome in Patients with Colorectal Cancer	\$886,982
RP140556	IIRA	The University of Texas M. D. Anderson Cancer Center	DNA methylation and telomere length in peripheral blood as predictors of aggressive prostate cancer	\$898,721
RP140298	IIRA	Texas Tech University	Engineering microfluidic devices for multimodal mechanical phenotyping of tumor cells in flow	\$674,465
RP140152	IIRA	The University of Texas Southwestern Medical Center	Natural Product for Treatment of Non-Small Cell Lung Cancer	\$772,368
RP140218	IIRA	The University of Texas M. D. Anderson Cancer Center	Inhibiting Oxidative Phosphorylation: A Novel Strategy in Leukemia	\$826,744

App ID	Award Type	Organization	Application Title	Budget
RP140522	IIRA	The University of Texas M. D. Anderson Cancer Center	Reversing vaccination-induced impairment of anti-CTLA-4-based cancer therapy.	\$899,991
RP140233	IIRA	The University of Texas Southwestern Medical Center	Structure-guided Kinase Inhibitor Design for Cancer Therapy	\$900,000
RP140648	IIRA	The University of Texas at Austin	New Therapeutic Strategies for Metastatic Melanoma	\$900,000
RP140452	IIRA	The University of Texas Health Science Center at San Antonio	Inactivating mutation of D2HGDH establishes a novel link between metabolism, alpha-KG dependent dioxygenases and epigenetic reprogramming in B cell lymphoma	\$854,740
RP140840	HIHR	Texas Tech University	New Technology for Ultra High Throughput Enumeration of Circulating Tumor Cells	\$199,993
RP140001	IIRA	Baylor College of Medicine	Role of DNA METHYLTRANSFERASE 3A in Hematologic Malignancies	\$900,000
RP140468	IIRA	The University of Texas M. D. Anderson Cancer Center	TARGETING OF CHRONIC LYMPHOCYTIC LEUKEMIA BY DESIGNER T CELLS	\$900,000
RP140449	HIHR	The University of Texas Southwestern Medical Center	A new Cancer Target: AMPylation machinery	\$200,000
RP140271	IIRA	The University of Texas M. D. Anderson Cancer Center	Targeting p53 in cancer through manipulation of p63 and p73	\$900,000
RP140140	IIRA	The University of Texas Southwestern Medical Center	Turn ON the Tumor Contrast for Surgical Resection of Head and Neck Cancers	\$900,000
RP140482	IIRA	The University of Texas M. D. Anderson Cancer Center	Preclinical Intravital Microscopy of Prostate Cancer Lesions in Bone: Identification and Eradication of Survival Niches by Combination Therapy	\$256,061
RP140141	IIRA	The University of Texas Southwestern Medical Center	Targeting HER2 for cancer therapy	\$892,989
RP140179	IIRA	Baylor College of Medicine	Targeting self-renewal in leukemic stem cells through the inactivation of KLF4	\$813,789
RP140430	IIRA	The University of Texas M. D. Anderson Cancer Center	Synaptic Mechanisms of Cognitive Decline after Cranial Radiation	\$836,557
RP140563	IIRA	The University of Texas M. D. Anderson Cancer Center	PAF, a Novel Wnt Signaling Regulator, in Colorectal Cancer	\$900,000
RP140223	HIHR	Baylor College of Medicine	Viral MicroRNAs in Ovarian Cancer Growth and Metastasis	\$199,995

App ID	Award Type	Organization	Application Title	Budget
RP140224	IIRA	The University of Texas M. D. Anderson Cancer Center	PPAR-delta Regulation of Wnt/B-catenin to Drive Colon Cancer	\$890,003
RP140315	IIRA	The Methodist Hospital Research Institute	Accurate and High Throughput Detection of Breast and Ovarian Cancer Cells in Whole Blood	\$900,000
RP140649	HIHR	The University of Texas at Austin	Realizing Personalized and Precision Medicine for Melanoma: A Rapid Assay for Measuring ERK Activity	\$200,000
RP140222	IIRA	The University of Texas M. D. Anderson Cancer Center	Direct Roles for RB and E2F1 in DNA Repair	\$900,000
RP140685	IIRA	The University of Texas Health Science Center at San Antonio	Modulation of autophagy: Phase II study of vorinostat plus hydroxychloroquine vs. regorafenib in refractory metastatic colorectal cancer (mCRC)	\$825,285
RP140500*	IIRA	The University of Texas M. D. Anderson Cancer Center	Toward the Cure of Myelodysplastic Syndrome: Interfering with Innate Immunity Alterations in Human and Mouse Systems	\$900,000
RP140216	HIHR	Baylor College of Medicine	Context-Specific In Vivo Screening for KRAS-Associated Gene Aberration Drivers Using Genetically Engineered Mouse Models of Lung Cancer	\$199,715
RP140842	IIRA	The University of Texas at Austin	Determining the Functional Role of microRNAs in Viral Tumorigenesis.	\$604,624
RP140478	HIHR	Texas Tech University	Computational Chemistry Determination of DNA Damage Mechanisms in Proton Cancer Therapy to Optimize Its Clinical Use	\$200,000
RP140544	IIRA	The University of Texas at Dallas	Mapping Acidic Tumor Microenvironment with Renal Clearable pH Nanoindicators	\$900,000
RP140456	IIRA	Baylor College of Medicine	Role of DNA2 Nuclease in Cellular Tolerance of Replication Stress and Telomere Maintenance - Implications for Cancer Biology and Anticancer Therapy	\$746,531
RP140515	IIRA	The University of Texas M. D. Anderson Cancer Center	CDK Inhibitors as Adjunctive to 5-FU and/or Radiation in Esophageal Adenocarcinoma- Assessment of Efficacy and Predictive Biomarkers	\$882,133
RP140399	IIRA	Baylor University	Targeting Hypoxia in Breast Cancer with Highly Potent Small-Molecule Anticancer Prodrugs	\$900,000

App ID	Award Type	Organization	Application Title	Budget
RP140320	HIHR	The University of Texas Southwestern Medical Center	DISSECTING A Necrotic Signaling Pathway in Human Cancer Cells	\$200,000
RP140661	IIRA	The University of Texas Southwestern Medical Center	Analyses of the regulatory mechanisms of tankyrase and its role in tumorigenesis	\$876,751
RP140367	IIRA	The University of Texas Southwestern Medical Center	Targeting BRD4 in Breast Cancer	\$900,000
RP140678	HIHR	Scott & White Healthcare	Novel, humanized single-chain CD123xCD3 bispecific antibodies for eliminating leukemia stem cells and leukemic cells	\$199,959
RP140800	IIRA	The University of Texas Health Science Center at Houston	The Role of Alternative Polyadenylation in Glioblastoma Tumor Progression	\$848,491
RP140473	IIRA	The University of Texas Health Science Center at San Antonio	Investigation of the tumor suppressor TMEM127 on lysosome function and lipid metabolism	\$881,146
RP140542	IIRA	The University of Texas M. D. Anderson Cancer Center	Biology and Therapy of Basal Bladder Cancers	\$865,587
RP140594	IIRA	The University of Texas Health Science Center at San Antonio	microRNAs: safe and effective therapeutic adjuvants for treating drug resistant breast cancers	\$900,000
RP140479	HIHR	Texas A&M University	Screening for melanoma genes using natural hybrid incompatibilities	\$199,993
RP140435	HIHR	The University of Texas Health Science Center at San Antonio	SHH/GLI3 signaling axis as a therapeutic target in castration resistant prostate cancer	\$200,000
RP140553	IIRA	Baylor College of Medicine	Translational Discovery of Resistance Genes and Cancer Gene Functions	\$900,000
RP140616	IIRA	Baylor College of Medicine	Tenascin-C and Metastatic Prostate Cancer Progression	\$827,806
RP140429	IIRA	The University of Texas M. D. Anderson Cancer Center	The Role of DIRAS3 (ARHI) in Initiating Autophagy and Tumor Dormancy	\$900,000
RP140411	IIRA	The University of Texas M. D. Anderson Cancer Center	Targeting Tumor Cell Invasion in Glioblastoma	\$900,000
RP140258	IIRA	Baylor College of Medicine	The Intersection between Childhood Cancer and Congenital Anomalies: Identifying Novel Cancer Predisposition Syndromes	\$874,964
RP140781	HIHR	Texas A&M University	High-Field Open MRI: Cost-Effective Screening for Early Detection of Breast Cancer	\$200,000
RP140328	HIHR	The University of Texas at Austin	Synthetic protein degradation agents to clear oncogenic proteins from cells	\$199,852

App ID	Award Type	Organization	Application Title	Budget
RP140143	IIRA	The University of Texas Southwestern Medical Center	Dependence of small cell lung cancer on the basic helix-loop-helix transcription factors Ascl1 and NeuroD1	\$900,000
RP140767	IIRA	Baylor College of Medicine	Toll-like receptors, gut microbiota, and risk of colorectal adenoma	\$899,131
RP140609	IIRA	The University of Texas M. D. Anderson Cancer Center	A missing link between obesity and cancer: Adipose derived stem cells	\$610,704

Dr. Rice recapped the requests that Dr. Kripke presented: Individual Investigator – 61 awards at \$51 million; High Impact/High Risk – 15 awards at \$2.9 million; Established Investigator – 1 award at \$6 million; Rising Stars – 1 at \$4 million; and First Time Tenure Track – 6 awards at \$12 million. That totals to \$84 million in research grants.

Compliance Certification (David Reisman)

With regard to the High Impact High Risk Award Slate; Individual Investigator Award Slate; Recruitment of First-Time, Tenure-Track Faculty Members Award Slate; Recruitment of Rising Stars Award Slate; and Recruitment of Established Investigators Award Slate, Mr. Reisman stated he conferred with staff at CPRIT and SRA International (SRA), CPRIT’s contracted third-party grant administrator, and studied the supporting grant review documentation, including third-party observer reports for the peer review meetings. He expressed satisfaction that the application review process that resulting in the grants recommended by the Chief Executive Officer followed applicable laws and agency administrative rules. Mr. Reisman certified these award slates for the Oversight Committee’s consideration.

CONFLICT OF INTEREST NOTIFICATIONS

Dr. Rice noted for the record that Oversight Committee members have reported conflicts of interest with the some of the applications to be considered.

Specifically, Ms. Mitchell and Mr. Montgomery both report conflicts with applications submitted by the following institutions:

- Rice
- Texas A&M University
- Methodist Hospital Research Institute
- The University of Texas at Austin
- The University of Texas at Dallas
- The University of Texas Health Science Center at Houston
- The University of Texas Health Science Center at San Antonio
- The University of Texas M.D. Anderson Cancer Center
- The University of Texas Southwestern Medical Center

In addition, Ms. Mitchell also reported conflicts of interest with applications submitted by Baylor College of Medicine, Baylor Research Institute, Baylor University, Scott & White Healthcare, and Texas Tech University.

Dr. Rice stated that in accordance with CPRIT's rules, Ms. Mitchell and Mr. Montgomery were recused from the discussion or action on the applications where they have reported a conflict of interest.

Dr. Rice referred members to the Supporting Information books for the list of application ID numbers for awards that members reported conflicts. He stated that copies of this list are available for the public attending the meeting. Dr. Rice stated he would sign the list at the end of this meeting and require that the list be included in the certified copy of the minutes for this meeting.

Dr. Rice asked if there were any other conflict of interest declarations for Oversight Committee members that had not been previously noted. None was heard.

APPROVAL PROCESS – Individual Investigator and High-Impact High Risk Grant Awards

Dr. Rice informed the members they had the list of applications and grant amounts recommended by the PIC for Individual Investigator and High-Risk High Impact grant awards.

He noted the PIC's recommendation would be approved if two-thirds of the Oversight Committee members present and able to vote approved the PIC's funding recommendations

Dr. Rice said that rather than taking up each recommendation individually, members would vote for the awards and award amounts as listed on pages 2 through 6 of the letter from the PIC Chair dated August 4, 2014.

Dr. Rice stated the members were going to take this vote in two groups. The first group included applications that Ms. Mitchell and Mr. Montgomery have conflict.

MOTION:

Dr. Rice called for a motion to approve each of the PIC's recommendations for grant awards and award amounts for applications submitted by:

- Rice
- Texas A&M University
- Methodist Hospital Research Institute
- The University of Texas at Austin
- The University of Texas at Dallas
- The University of Texas Health Science Center at Houston
- The University of Texas Health Science Center at San Antonio

- The University of Texas M.D. Anderson Cancer Center
- The University of Texas Southwestern Medical Center

Motion by: Angelou

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

Dr. Rice noted for the record that Ms. Mitchell and Mr. Montgomery abstained from voting.

MOTION:

Dr. Rice called for a motion to approve each of the PIC's recommendations for grant awards and award amounts for applications submitted by:

- Baylor College of Medicine
- Baylor Research Institute
- Baylor University
- Scott and White Healthcare
- Texas Tech University

Motion by: Mulrow

Seconded by: Angelou

MOTION CARRIED UNANIMOUSLY

Dr. Rice noted for the record that Ms. Mitchell abstained from voting.

APPROVAL PROCESS – Recruitment Grant Awards

Dr. Rice noted that members had the list of applications and grant amounts recommended by the PIC for Recruitment grant awards.

The PIC's recommendation would be approved if two-thirds of the Oversight Committee members present and able to vote approve the PIC's funding recommendations.

Dr. Rice stated that rather than taking up each recommendation individually, the members would vote for the awards and award amounts as listed on page 6 of the letter from the PIC Chair dated August 4, 2014.

Dr. Rice stated for the record that Ms. Mitchell and Mr. Montgomery indicated that they had conflicts with all of the applications being recommended for recruitment grant awards.

MOTION:

Dr. Rice called for a motion to approve each of the PIC’s recommendations for recruitment grant awards and award amounts.

Motion by: Angelou

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

Dr. Rice noted for the record that Ms. Mitchell and Mr. Montgomery abstained from voting.

MOTION:

Having approved the PIC recommendations for the Individual Investigator, High-Impact, High Risk and Recruitment grant awards, Dr. Rice called for a motion to delegate contract negotiation authority to the Chief Executive Officer and CPRIT staff and to authorize the Chief Executive Officer to sign the contracts on behalf of the Institute.

Motion by: Mulrow

Seconded by: Angelou

MOTION CARRIED UNANIMOUSLY

12. Chief Product Development Officer Report and Revised Contract Terms

Dr. Rice noted that Dr. Rosenfeld, Chair of the Product Development Subcommittee, provided the subcommittee’s recommendation to the board behind Tab 9 in the meeting packet. He then recognized Dr. Thomas Goodman to present the revised contract terms that the Oversight Committee ratified in May and the PIC recommendations for Product Development grants.

Dr. Goodman began by stating that CPRIT had received 30 grant applications for product development awards in Cycle 15.1. Of these 17 were advanced to in-person presentations last week. The review panel recommended that the applications of nine different companies be moved forward to due diligence. The total amount of support requested is less than \$100 million. This shows that CPRIT has had robust interest in its company-related programs and an increasing percentage of high-quality applications are moving forward.

The Early Translation Research Applications (ETRA’s) were previously administered as part of the research program. Dr. Kripke recommended and Dr. Goodman agreed that these might be better evaluated by product development review panels. He reported that CPRIT has received 46 applications that have been assigned to reviewers. They will be discussed by the review panels in October and will come before the Oversight Committee in November.

Dr. Goodman noted that for the first time CPRIT requires the ETRA award recipients to prepare business plans. This activity should focus on converting academic research into products beneficial to cancer patients.

The next cycle of product development new company relocation/established companies requests for applications was released in July and will close on September 29, 2014. Any award recommendations resulting from this cycle will be presented to the Oversight Committee for approval in May of 2015.

Revenue Sharing

Dr. Goodman stated that revenue sharing provisions are required in all CPRIT grant applications and grant award contracts. Health and Safety Code, Section 102.256, requires that the Oversight Committee establish standards and require that all grant awards be subject to intellectual property agreements that allow the state to collect royalty income and other benefits including interest and proceeds resulting from securities and equity ownership that are realized as a result of the projects that funded by CPRIT. However, Dr. Goodman noted that the statute also indicates that the Oversight Committee must balance the opportunity of the state to benefit from patents, royalties, licenses, and other benefits, with ensuring essential medical research is not unreasonably hindered and a disincentive for follow-on investment by others is not created.

Several companies that had been approved for grant contracts contacted CPRIT about the revenue sharing terms presented at the May 21 Oversight Committee meeting. Their concerns were transmitted to the Product Development Subcommittee; Dr. Goodman reported that some issues had merit. After discussion by the subcommittee, Dr. Goodman reported that three important concerns can be addressed through the revisions to the revenue sharing terms previously presented.

Dr. Goodman presented the recommended revisions to the previously approved revenue sharing terms:

1. Compression of the Matrix

It was argued that there should not be distinctions made between companies based on the size of the grant amount or degree to which companies had already accessed capital markets.

Given this, it is recommended that no differentiation between companies will be made on the basis of either the amount of the CPRIT grant award or the amount of professional investment the company has received. The values of "A" and "B", which previously varied, will be the same for all companies and set at 4% and 2%, respectively.

2. Changes to the Buyout Clause

The shortage of venture capital funding for early-stage, life sciences companies in Texas is problematic. Previously approved buyout terms create potential negotiating problems with future investors. For example, a company required to pay off a grant award at the same time it is negotiating a new round of financing may be difficult. Although the company had three years to plan for the buyout - essentially the term of the CPRIT contract, this amount of time may be inadequate.

Given this, it is recommended that the buyout clause will be rewritten so that the company may buyout its revenue sharing requirement, at any time after the completion or termination of the contract, by repaying the amount of the grant award plus an interest rate of 9%, compounded quarterly, on any funds distributed to the company under the contract from the date of the distribution of those funds. Any revenue sharing paid by the company will be credited against the buyout amount.

3. Accounting for Licensing Royalties

While the present proposed contract allows adjustment of the revenue sharing percentages as a result of other contributions to the product development, it does not consider potential licensing royalties that might have to be paid to allow product sales.

Given this, the addition of a stacking provision is recommended. In addition to the adjustment clause (Section D4.02), the revenue sharing percentages may be reduced by 0.5% for every 1% of royalty that the company must pay to any third party in order to sell a product. Royalty stacking, alone or when combined with any other allowed adjustment, shall not decrease the revenue sharing amounts by more than 50% of what they otherwise would be.

Dr. Goodman stated that should the Oversight Committee approve these recommended terms, CPRIT would offer any company that has already been approved for a grant award and is currently pending execution of a final contract the option to proceed pursuant to the contract terms that were approved at the May 21 Oversight Committee meeting or the contract terms approved today. Companies that were approved for contract execution at the May meeting and have already executed a contract will be offered the option of accepting these newly approved terms through a contract amendment. The terms adopted today would be used for the grant contracts for companies approved for grant awards at this meeting.

Dr. Rice commented for clarity that the Oversight Committee discussed the matrix in May and then, as a result of the feedback received from potential grantees, Dr. Goodman is asking the Oversight Committee, through a three-step process, to accept this new construct of deal-making terms to be uniformly applied. The Oversight Committee's action will potential affect three classes of companies: those that are being brought forth now that have been through the process; those that had been approved in May and have

been in contract negotiations; and those that were approved at the February 2014 Oversight Committee meeting and have already signed a final contract that will be offered these new terms as an addendum to their contract. This means everyone would have been given the same terms throughout the whole year. Dr. Goodman agreed that this was a correct summation, although the grantees that previously executed contracts would have the option, not the requirement, to take the new terms.

Mr. Montgomery said it is difficult to evaluate this proposal in the abstract and wanted to know how proposed rates compare to the market.

Dr. Goodman replied there is a requirement for fair compensation to the state; however, there is also a goal to present terms that don't hinder follow-on funding from the private sector. He stated that CPRIT's proposed terms were attractive to small companies in that they did not require equity to be given up by the company. A venture capitalist investor could, under some circumstances, take up to 75% of the company in equity.

Mr. Geren stated this buyout option seems inconsistent with what he understood the Legislature's intent that CPRIT would participate in the occasional successful product, as investors in this kind of high risk activity would typically do. However, this proposal being discussed today limits CPRIT to a maximum 9% return on investment.

Mr. Roberts stated that one must blend the goal to receive an appropriate return on investment with other considerations that a conventional venture company does not take into account, such as trying to build an under-represented industry to Texas.

Dr. Rice asked why we would have a buyout clause.

Mr. Holmes responded that there was much discussion on this matter in the subcommittee. Mr. Holmes stated that the buyout provision was developed to allow the small and growing company to access additional capital that the state is not prepared to provide.

Ms. Doyle added from a legal perspective that CPRIT's statute was changed in 2011 to allow CPRIT to take equity in companies. There are many issues with taking equity, which can be subject to discussion on another day. CPRIT does not have the capital necessary for a company to bring a product from discovery to market, the funding provided by CPRIT is intended for the company to create data to show early success in Phase 1 and 2 trials that should make the company attractive to larger investors that can invest the money necessary to further develop the drug or product. Ms. Doyle noted that CPRIT's primary objective is to get cancer cures to the market.

After considerable discussion, the Oversight Committee directed Dr. Goodman and CPRIT staff to refine the contract terms to address the Oversight Committee concerns raised at this meeting for reconsideration at the Oversight Committee meeting that will be held September 3. Mr. Holmes summarized the Oversight Committee's request: eliminate the buyout provision and set the wind down from 4% to 2% as a result of the

stacking provision. He also asked Dr. Goodman to provide information on using gross versus net revenues.

No further action was taken on contracts with AERase and Mirna.

Product Development – New Company Product Development Award Recommendations

Dr. Goodman presented the PIC recommendations for approval of two product development grant proposals totaling \$13,580,185. The recommended grant proposals were submitted in response to the New Company Product Development Request for Applications. The PIC concurred with recommendations made by the Product Development Review Council. The two companies are Curtana Pharmaceuticals and OncoNano Medicine. The total requested was \$13,580,185.

Curtana is developing the first truly targeted small molecule drug for treatment of glioblastoma, the most common and deadliest of malignant brain tumors in adults, and diffuse intrinsic pontine glioma, an extremely deadly pediatric brain tumor. This fits CPRIT's mission to expedite innovation in areas of new product development and attract companies that will create jobs in Texas. This award will bridge the translational research gap and address an important medical need in patients. The CPRIT funding request recommended for approval is about \$7.6 million. This amount will be matched by \$3.8 million of company-contributed funds for a total project cost of \$11.4 million.

Dr. Mulrow asked if it was usual for companies to have concerns noted by the independent scientific evaluation, i.e., lack of oncological expertise; the assumption about the need for a pre-IMD meeting; and an unrealistic budget. Dr. Goodman responded that it is not unusual for a young company to need to hire more expertise and get regulatory professionals involved.

There being no further questions, Dr. Goodman discussed OncoNano Medicine. The company is a Dallas-based, The University of Texas Southwestern Medical Center spinout developing a nano technology enabled probe to help cancer surgeons visualize tumors during surgery. This probe responds to the pH conditions present within the cancer cells and becomes fluorescent, thus making it possible for the surgeon to excise the tumor more precisely. Over 500,000 cancer surgeries are performed every year in the United States and a major challenge is getting the entire cancer out to prevent regrowth and metastasis, without removing good tissue. The company is will operate in the UT-Southwestern Incubator and is expected to create high quality research jobs and recruit talent. The CPRIT grant amount request is for \$6 million that will be matched with an additional \$3 million of company supplied funds, for a total project cost of \$9 million.

The list of grants is as follows:

App ID	Company Name	Project	Budget*
DP140034	Curtana Pharmaceuticals, Inc.	Preclinical Drug Discovery and Development of Novel, First-In-Class, Small Molecule Compounds	\$7,580,185
DP140072	OncoNano Medicine, Inc.	Transforming Cancer Surgery by Tumor Illumination	\$6,000,000

Dr. Rice stated that though Dr. Rosenfeld could not be at the meeting, Dr. Rosenfeld's memo emphasize the need to get adequate licensing of the technology from Southwestern before proceeding.

Dr. Rice noted that in response to this RFA, about 25 companies applied with these two being the top two: OncoNano scored the highest at 2.2, and Curtana scored 2.4.

Compliance Certification (David Reisman)

Mr. Reisman stated that with regard to New Company Product Development awards, he conferred with staff at CPRIT and SRA International (SRA), CPRIT's contracted third-party grant administrator, and studied the supporting grant review documentation, including third-party observer reports for the peer review meetings. He stated he was satisfied that the process that resulted in the grants recommended by the Chief Executive Officer followed applicable laws and agency administrative rules. Mr. Reisman certified these award slates for the Oversight Committee's consideration.

CONFLICT OF INTEREST NOTIFICATIONS

Dr. Rice noted for the record that Oversight Committee members have reported conflicts of interest with the some of the applications to be considered.

Specifically, Ms. Mitchell and Mr. Montgomery both report conflicts with application ID number DP140072. In accordance with CPRIT's rules, Ms. Mitchell and Mr. Montgomery were recused from the discussion and action on this application. There were no other conflicts reported.

CONSIDERATION OF NEW COMPANY PRODUCT DEVELOPMENT GRANTS

MOTION:

Dr. Rice called for a motion to approve the PIC's recommendation for Curtana Pharmaceuticals to receive a New Company Product Development Award in an amount not to exceed \$7,580,185.

Motion by: Geistweidt

Seconded by: Geren

MOTION CARRIED UNANIMOUSLY

Dr. Rice noted for the record that Ms. Mitchell and Mr. Montgomery abstained from voting.

MOTION:

Dr. Rice called for a motion to approve the PIC's recommendation for OncoNano Medicine to receive a New Company Product Development Award in an amount not to exceed \$6,000,000.

Motion by: Holmes

Seconded by: Angelou

MOTION CARRIED UNANIMOUSLY

MOTION:

Having approved these companies for product development awards, Dr. Rice called for a motion to delegate contract negotiation authority to the Chief Executive Officer and CPRIT Staff. He noted that Dr. Rosenfeld's memo indicated that the Product Development Subcommittee recommended approval contingent upon the companies demonstrating they have ownership of or license to the intellectual property underlying the projects.

Motion by: Angelou

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

Authorization to Disburse Grant Funds by Advance Payment

Dr. Rice stated that Mr. Roberts had notified the Board by letter sent August 4 indicating that he seeks authority to disburse grant funds in advance of incurring expenses to the two companies approved for awards today.

Mr. Holmes asked if this would be done before the September 3 meeting and Mr. Roberts responded it would not. Ms. Doyle clarified that payment of grant funds is contingent upon an executed contract. No grant funds will be paid until a contract is signed.

MOTION:

Dr. Rice called for a motion, pursuant to the General Appropriations Act, Article IX, Section 4.03(a), to authorize CPRIT to disburse grant fund via advance payments to the two Product Development Awards approved today, recognizing that there are never any advances until there is an executed contract.

Motion by: Geistweidt

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

13. Appointments to Scientific Research and Prevention Program Committees

Dr. Rice recognized Nominations Subcommittee Chair Ned Holmes to lay out the subcommittee's recommendations.

Mr. Holmes stated the Nominations Subcommittee met on August 15 and discussed the Chief Executive Officer's new appointments to the Scientific Research and Prevention Programs Committee. The subcommittee recommended approval of the CEO's 24 appointments.

There were no questions or discussion by members.

MOTION:

Dr. Rice called for a motion to approve the Chief Executive Officer's appointments to the Scientific Research and Prevention Programs Committee.

Motion by: Geistweidt

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

14. FY 2015 Honoraria Policy

Dr. Rice recognized Mr. Roberts, CEO, to present the FY 2015 honoraria policy.

Mr. Roberts stated that CPRIT's enabling legislation requires CPRIT's Chief Executive Officer, in consultation with the Oversight Committee, to adopt a policy regarding honoraria paid by CPRIT for peer review services. The Oversight Committee approved the FY 2014 honoraria policy at the November 1, 2013, meeting. The FY 2015 honoraria policy is the same as previously approved with one change to reflect the new position of Deputy Chair for the Product Development Review Council. Creation of the deputy position is due to the number of applications submitted to the program having increased, necessitating two review panels to meet several times during the cycle. The deputy would head up one of the two review panels. The 2015 policy identified this deputy's responsibilities to justify the honoraria amount associated with the time commitment. The breakdown of those activities can be found on page 8 of the attachment to the memo in the meeting packet. Mr. Roberts recommended approval of the FY 2015 honoraria policy.

There were no questions or discussion by members.

MOTION:

Dr. Rice called for a motion to approve the Chief Executive Officer's FY 2015 Honoraria Policy.

Motion by: Montgomery

Seconded by: Mitchell

MOTION CARRIED UNANIMOUSLY

15. Texas Health and Safety Code § 102.1062 Waivers

Dr. Rice recognized Mr. Roberts to present his formal request to the Oversight Committee for consideration of Conflict of Interest Waivers for Dr. Kripke, Dr. Lakey, and Mr. Montgomery.

Mr. Roberts stated the first two waivers are identical to the ones approved last year. Dr. Kripke's waiver is necessary for her to continue to effectively perform her duties of Chief Science Officer. The rationale and explanation can be found in the memo that has been posted on CPRIT's website and is public record. Mr. Roberts pointed out that granting the waiver in no way prohibits the Oversight Committee from amending, revoking, or revising the waiver in the future, including but not limited to the list of approved activities and duties of the limitations. The waiver is limited to the conflict of interest specified in the request. To the extent to which Dr. Kripke has a conflict of interest with an application that is not the conflict identified in this waiver, she will have to follow the required notification and recusal process. She is also required to follow all other restrictions and prohibitions upon staff activities during the peer review process.

Mr. Roberts next spoke to Dr. Lakey's waiver, which he stated is identical to the one presented last year. Dr. Lakey heads up an agency that receives prevention grants from CPRIT, but by statute he is a member of the PIC. In order to operate as envisioned by the statute, this waiver is necessary for his participation.

The third waiver request, Mr. Roberts stated, is new. The waiver request is for Oversight Committee member, Will Montgomery, and is necessary for him to fully participate in the grant award approval process. Together with the waiver's proposed limitations, adequate protections are in place to mitigate the opportunity for the award of grant funds to be driven by anything other than merit and established criteria. By way of background, Mr. Montgomery is a partner at Jackson Walker, a long-time Texas-based law firm that employs more than 350 attorneys. Mr. Montgomery's legal practice focuses on disputes related to the financial services industry, including regulatory investigations, enforcement proceedings, and internal investigations related to securities, options, derivatives, commodities, and futures. Mr. Montgomery does not personally represent CPRIT grant recipients; however, some lawyers employed by Jackson Walker do provide legal services to 12 grant recipients, which are: Rice, Texas A&M University System, the A&M System Technology Commercialization, the A&M Institute for Biosciences and Technology, the Methodist Hospital System of Houston, UT-

Southwestern, UT School of Public Health, UT Medical Branch in Galveston, Children's Medical Center Research Institute, UT-San Antonio, UT-Austin, and UT Health Science Center at Houston. To approve the waiver, the Oversight Committee must find exceptional circumstances justifying Mr. Montgomery's participation in the review process. One of the principle duties of an Oversight Committee member is to approve grant awards recommendations submitted by the Program Integration Committee. The statute requires a two-thirds vote of the committee to approve a grant award. Excluding Mr. Montgomery from participation in the decision-making process related to grant awards reduces the number of committee members that are able to perform the critical tasks of reviewing information about potential grantees in the review process associated with the recommendations. The Oversight Committee may amend, revoke or revise this waiver, which is limited to the conflict of interest specified in this request and based upon the circumstances stated. If circumstances change such that Mr. Montgomery is required to personally represent one of the entities listed herein or to supervise the work of someone representing the entity, he will be required to notify CPRIT's Chief Executive Officer and the presiding officer of the Oversight Committee.

Dr. Rice called for questions or discussion. None was heard.

MOTION:

Dr. Rice called for a motion finding that exceptional circumstances exist and to approve the waiver proposed for Dr. Kripke that will waive the conflict of interest specified in Texas Health and Safety Code Section 102.106(c)(3).

Motion by: Mulrow

Seconded by: Angelou

MOTION CARRIED UNANIMOUSLY

MOTION:

Dr. Rice called for a motion finding that exceptional circumstances exist and to approve the waiver proposed for Dr. David Lakey that will waive the conflict of interest specified in the Texas Health and Safety Code Section 102.106(c)(3).

Motion by: Mulrow

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

MOTION:

Dr. Rice called for a motion finding that exceptional circumstances exist and to approve the waiver proposed for Oversight Committee member Will Montgomery that will waive the conflict of interest specified in Texas Health and Safety Code Section 102.106(c)(4).

Motion by: Mulrow

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

Dr. Rice noted that Mr. Montgomery did not participate in this vote on his waiver. He also noted that the waivers will be publicly posted on CPRIT's website and will be provided to the Governor, Lt. Governor, and Speaker of the House, as well as to the statutorily designated legislative committees with oversight for CPRIT operations. Mr. Roberts confirmed that this will be done.

16. Personnel Action – Manager of Internal Audits

Closed Session

Dr. Rice stated that at this time the Oversight Committee would go into closed session pursuant to Texas Open Meetings, Act Sections 551.071 and 551.074 to discuss personnel issues as listed on the posted agenda and to consult with its attorney. At the request of the chair, Mr. Roberts, Ms. Doyle, and Lisa Nelson, CPRIT's Operations Manager (HR), attended the closed session. The time: 1:47 p.m.

Dr. Rice reconvened the meeting after closed session and called the time: 3:11 p.m.

Dr. Rice stated that CPRIT staff did not have a recommendation for the position of Manager of Internal Audits to be considered by the committee at this time. Dr. Rice stated that no further action would be taken at this time.

17. Internal Audit Reports

Dr. Rice recognized Ms. McConnell to present the Internal Audit Reports.

Ms. McConnell stated that there were five internal audits related to the operations of the agency on which Grant Thornton, CPRIT's internal auditor, is working on. Two of the audits are completed and are under Tab 13 in the Oversight Committee Meeting book: Expenditures Internal Audit Report and Third-Party SRA International Managed Information Systems Internal Audit Report. Two findings for the Expenditures report are: (1) 3 of 35 payments were not paid on time, resulting in additional interest charges, and (2) 1 of 17 capital assets did not have sufficient evidence of the asset's existence. Management is addressing both these concerns.

The Third-Party SRA Managed Information Systems audit was done according to American Institute of Certified Public Accountants Trust Service Principles. Grant Thornton examined those that were specific to the systems at SRA. No exceptions were noted.

Ms. McConnell gave an update on the status of the 10 grantee field audits. The field work for five of them is being completed: UT-Southwestern, The Nurses Foundation, Molecular Templates, Texas A&M Health Science Center, and UT Health Science Center—Houston. The other five are: UT-Austin, UT Health Science Center—San Antonio, the Methodist Hospital Research Institute, Texas AgriLife Extension Service, and Rice University. The final reports will be ready for the November meeting.

No questions were voiced. Dr. Rice asked Mr. Angelou, Chair of the Audit Subcommittee, to present the subcommittee recommendations.

Mr. Angelou stated the Audit Subcommittee met on August 7 and recommended the Oversight Committee accept the audits as presented.

MOTION:

Dr. Rice called for a motion to accept the Expenditures Internal Audit Report and the SRA International Managed Information System Internal Audit Report.

Motion by: Montgomery

Seconded by: Mulrow

MOTION CARRIED UNANIMOUSLY

Dr. Rice stated that these audits will be posted on the CPRIT website. Ms. McConnell affirmed. Dr. Rice asked Ms. McConnell if the website reports will contain explanations of some of the findings that might lead the public to believe there is a larger problem than there is, i.e., one finding is for only \$18. Ms. McConnell said she would include clarification in the executive summary of the reports. Mr. Roberts pointed out the report includes CPRIT's responses on how the findings are being addressed.

18-22. Approval of Operational and Services Contracts

Due Diligence Services Request for Proposal: CPRIT has had due diligence services performed since 2010 in the product development program. This is a business management regulatory review and evaluation, and is separate from intellectual property due diligence covered by the outside legal services contract. This is an independent analysis of the company applicant's potential to commercially develop their proposed drug device, diagnostic technology or service. The Product Development Review Council uses these reports, as referred to in the Chief Product Development Officers reports. In the past three years, these services have been subcontracted through SRA, but CPRIT is now going to handle and manage this contract. CPRIT requests authorization to award a one-year base contract with up to three one-year renewal options, to potentially two firms totaling up to \$350,000. This amount assumes 12 due diligence evaluations performed at approximately \$25,000 each. Having two firms addresses any potential conflicts of interest. The RFP for these services is active and responses are due by August 22, so there are not recommendations to discuss. Staff requests approval to move forward with contracting because these services are critical for the product development evaluation process.

Outside Legal Services Contract: These two contracts are for intellectual property due diligence that is part of the product development evaluation. Having two firms addresses any potential conflicts of interest. Ms. Doyle works with outside counsel to assign due diligence work. This is an ongoing contract so CPRIT would be exercising the renewal option for the second year.

The Pre- and Post-Award Grants Management Support Services Statement of Work:

This contract is for SRA International. This contract includes their labor estimated to be \$6.6 million, the honoraria they pay to peer reviewers estimated to be \$2.4 million, travel to the peer review meetings estimated to be \$400,000, the peer review costs of hotels and meeting room space estimated to be \$635,000, and labor SRA subcontracts estimated to be \$1 million.

Mr. Geren asked about the \$6 million SRA labor costs and how many FTE's that equals. Dr. Rice confirmed this did not include software costs, just labor. Mr. Geren asked if CPRIT has compared what is paid to SRA to what it would cost to do the work in-house. Ms. McConnell said the comparison had been done. The costs are for SRA scientific personnel (7-8 FTE's), editors, and IT staff.

Dr. Mulrow asked if SRA was based in Texas. Ms. McConnell stated they are based in Maryland. Mr. Geren asked if the contract was competitively bid. Ms. McConnell responded that it was originally bid through a request for proposals, but their services for FY 2015 were procured through the Comptroller's TXMAS program.

Mr. Roberts stated that this contract is for one year where previously the contracts had been multi-year. CPRIT is in the process of getting the services structured so they can be transferred to another vendor if warranted, through a competitive bidding process to occur next year. Dr. Rice stated SRA appears to be an impressive group. Mr. Roberts stated CPRIT is satisfied with their services, but since the original contract was let years ago, there are now other possibilities to be considered. Dr. Rice asked for a breakout of the FTE's to see how the \$6 million is allotted and would like to know if software is included in the fee structure. Ms. McConnell responded that our grants management system uses their proprietary software, which SRA enhances to fit CPRIT needs each time an RFA is issued or a change in process occurs. CPRIT pays an annual licensing fee of approximately \$8,000 a month.

Peer Review Monitoring Services Invitation for Bid: The peer review monitoring contract is for independent monitoring of CPRIT peer review meetings. This type of service has existed since May 2012. It is estimated that this year 86 peer review panel and review council meetings will be needed, costing up to \$100,000. CPRIT requests authorization to award a one-year base contract with up to three one-year renewal options, totaling \$400,000.

Independent Financial Audit Services Statement of Work: This contract is for a statutorily required report that must be submitted to the State Comptroller and other CPRIT oversight offices by December 20 of every year. CPRIT contracts through the Comptroller's TXMAS program and must get delegation from the State Auditor's Office for these services. In the past this audit has cost approximately \$35,000 to \$40,000; therefore, CPRIT is asking authorization to procure a firm to provide these services for up to \$40,000 a year or up to \$160,000 for four years.

No further questions or discussion was heard.

Service	Period Under Consideration	Notes about Contract	Annual Contract Amount	Period	Total Value of Contract
Due Diligence Services Request for Proposal	Award 4-year contract, initial year FY 2015	Award to one or more firms	\$350,000	maximum per year among firms	\$1,400,000
Outside Legal Services: Vinson & Elkins	5-year Contract in place, exercise 2nd Renewal Option	One of two firms	\$200,000	FY 2015	\$1,000,000
Outside Legal Services: Yudell Isidore Ng Russell	5-year Contract in place, exercise 2nd Renewal Option	One of two firms	\$100,000	FY 2015	\$500,000
Pre- and Post-Award Grants Management Support Services Statement of Work	Award 1-year contract (option for up to 12 additional months)	Comptroller's Texas Multiple Award Schedules (TXMAS) program	\$11,509,011	FY 2015	\$11,509,011
Peer Review Monitoring Services Invitation for Bid	Award 4-year contract, initial year FY 2015		\$100,000	estimated maximum per year	\$400,000
Independent Financial Audit Services Statement of Work	Award 4-year contract, initial year FY 2015	Comptroller's Texas Multiple Award Schedules (TXMAS) program	\$40,000	estimated maximum per year	\$160,000

MOTION:

Dr. Rice called for a motion to authorize CPRIT to execute these service contracts as presented by the Chief Operating Officer and upon appropriate approval from the Legislative Budget Board.

Motion by: Holmes

Seconded by: Mulrow
MOTION CARRIED UNANIMOUSLY

23. University Advisory Committee Charter

Dr. Rice stated that Dr. Kripke described earlier the work of the University Advisory Committee. He then recognized Ms. Doyle to present the recommendation on the committee charter that is in the Oversight Committee meeting packet under Tab 15.

Ms. Doyle stated the University Advisory Committee (UAC) is required to have a charter that is approved by the Oversight Committee. This charter was drafted by the UAC to address their roles and activities. There is at least one report required by statute at the

first meeting after the start of the year, but others could be necessary. The UAC requests approval of this charter.

There were no questions or discussion.

MOTION:

Dr. Rice called for a motion to approve the University Advisory Committee charter.

Motion by: Geistweidt

Seconded by: Mulrow

MOTION CARRIED UNANIMOUSLY

24. Advisory Committee on Childhood Cancers

Dr. Rice stated the Oversight Committee is served by another committee, the Advisory Committee on Childhood Cancers. This committee is required by CPRIT's statute and has been serving the Oversight Committee since 2010. The Oversight Committee is responsible for appointing the members of the committee. Dr. Rice called on Mr. Holmes, Chair of the Nominations Subcommittee, to present the subcommittee recommendations.

Mr. Holmes reported that the Nominations Subcommittee met on August 15 to review the eleven proposed members of the Advisory Committee on Childhood Cancers. The subcommittee recommended that the Oversight Committee approve the members as listed in their meeting packet under Tab 16.

There were no questions or discussion.

MOTION:

Dr. Rice called for a motion to approve the members of the Advisory Committee on Childhood Cancers

Motion by: Geren

Seconded by: Holmes

MOTION CARRIED UNANIMOUSLY

25. Final Order Approving Amendments to 25 T.A.C. Chapters 701-703

Dr. Rice recognized Ms. Doyle to address agenda item 25, the final orders approving changes to CPRIT's administrative rules. The rules are under Tab 17 of the Oversight Committee meeting book.

Ms. Doyle stated this is the first of two actions to be taken today related to CPRIT's administrative rules. This agenda item concerns adopting final rule amendments. At the May meeting, members approved proposed rule changes for publication in the Texas Register to solicit public comment. In addition to publishing the rule changes in the Texas Register, CPRIT also distributed a listserve notice about the proposed changes to

more than a 1,000 people. No input was received from the public. Therefore, the rule changes originally proposed at the May meeting and subsequently published in the Texas Register are presented for final adoption. The final orders adopting the rule changes will be provided to the Secretary of State.

No questions or discussion was heard.

MOTION:

Dr. Rice called for a motion to approve the final orders adopting CPRIT's rule changes and to direct staff to file the orders with the Secretary of State.

Motion by: Geren

Seconded by: Mulrow

MOTION CARRIED UNANIMOUSLY

26. Proposed Amendments to 25 T.A.C. 701-703 and Authorization to Publish in the Texas Register

Dr. Rice noted that the proposed rule changes are under Tab 18 of the committee meeting packet, with the changes to the text in red. He called on Ms. Doyle to present this item.

Ms. Doyle stated that action on this agenda item will begin the formal rulemaking process for three proposed rule changes. The rule changes are recommended for publication in the *Texas Register*. Ms. Doyle explained the first change, proposed new Rule 701.35, which addresses the process to be followed if a member of the public seeks to initiate a rule change. CPRIT is required by statute to have a process for the public to suggest administrative rules and this new rule fulfills that requirement. Ms. Doyle indicated that the other two rule changes are in Chapter 703, which deals primarily with grantees, both from the grant application and post award perspective. The two proposed changes to Chapter 703, if adopted, will affect grantees. One change provides additional guidance with respect to the federal indirect cost rate that academic institutions are able to use for their matching fund credit. The other rule change involves a change to CPRIT's audit requirements that responds to an issue related to required audits for state institutions of higher education. Ms. Doyle referred the Oversight Committee to the explanation for the proposed change in the memo behind Tab 18 and responded that it is intended addresses inefficiencies arising from the current audit requirements.

Ms. Doyle explained that she will report at the November meeting regarding any public input related to the proposed changes and, based on the input received; recommend possible final action to the Oversight Committee at that time.

No questions or discussion was heard.

MOTION:

Dr. Rice called for a motion to instruct staff to publish the proposed rule amendments to Chapters 701 and 703 in the Texas Register in accordance with the requirements of the Administrative Procedure Act.

Motion by: Geren

Seconded by: Mulrow

MOTION CARRIED UNANIMOUSLY

27. Proposed Amendments to the Code of Conduct

Dr. Rice recognized Ms. Doyle to present amendments to the Code of Conduct, found under Tab 19 in the meeting packet.

Ms. Doyle stated the proposed changes are administrative. During the process of compiling a list of annual reporting requirements and due dates for Oversight Committee members and for CPRIT employees, Staff determined that due dates were not specified for some reports, which may make it difficult to ensure compliance. The changes proposed for consideration would add due dates for the CEO's yearly report on outside employment of CPRIT employees and for the annual filing of Oversight Committee member political contributions exceeding \$1000 to state and federal candidates.

There were no questions or comments heard.

MOTION:

Dr. Rice called for a motion to adopt the amendments to CPRIT's Code of Conduct as proposed

Motion by: Angelou

Seconded by: Mulrow

MOTION CARRIED UNANIMOUSLY

28. Subcommittee Business

Dr. Rice recognized Dr. Mulrow to present the Diversity Subcommittee report, located under Tab 20 in the committee meeting packet.

Dr. Mulrow reported the subcommittee met on August 13 and discussed the agency's administrative efforts related to historically underutilized businesses. The subcommittee also received and discussed a report on programmatic ethnicity data and made some recommendations on how to prioritize diversity by the agency. She stated there are no actions for today and the subcommittee will continue to discuss the topic.

29. Consultation with General Counsel

This agenda item was previously taken up. See agenda item 16.

30. Future Meeting Dates and Agenda Items

Dr. Rice reported that the next regular Oversight Committee meeting is scheduled for November 19. CPRIT staff will circulate a tentative agenda prior to the meeting.

The Oversight Committee will convene in Austin on September 3 for a working session to address the Programs Priority Project. In addition, consistent with the discussion today, the Oversight Committee will consider Product Development grant contracts and terms at the September 3 meeting. An agenda will be posted.

31. Adjourn

There being no further business, Dr. Rice called for a motion to adjourn.

Motion by: Geren

Seconded by: Mulrow
MOTION CARRIED UNANIMOUSLY

Meeting adjourned at 3:23 p.m.



Signature



Date



CANCER PREVENTION & RESEARCH INSTITUTE OF TEXAS

Conflict of Interest Disclosure – Oversight Committee Members For Applications Recommended for Consideration at August 20, 2014 Open Meeting

Conflict of Interest Disclosure - Amy Mitchell

Product Development (1)

DP140072

Prevention (11)

PP140018, PP140028, PP140033, PP140049, PP140164, PP140176, PP140182, PP140183,
PP140209, PP140210, PP140211

Scientific Research (84)

RP140001, RP140132, RP140140, RP140141, RP140143, RP140152, RP140179, RP140181,
RP140216, RP140218, RP140222, RP140223, RP140224, RP140233, RP140244, RP140252,
RP140258, RP140262, RP140271, RP140285, RP140298, RP140315, RP140320, RP140323,
RP140328, RP140329, RP140350, RP140367, RP140399, RP140402, RP140408, RP140411,
RP140412, RP140429, RP140430, RP140435, RP140449, RP140452, RP140456, RP140462,
RP140464, RP140468, RP140469, RP140473, RP140478, RP140479, RP140482, RP140500,
RP140515, RP140517, RP140522, RP140542, RP140544, RP140553, RP140556, RP140563,
RP140594, RP140597, RP140606, RP140609, RP140612, RP140616, RP140648, RP140649,
RP140655, RP140661, RP140664, RP140672, RP140678, RP140685, RP140767, RP140781,
RP140784, RP140800, RP140840, RP140842, RR140061, RR140071, RR140072, RR140073,
RR140077, RR140081, RR140082, RR140084

Conflict of Interest Disclosure – Will Montgomery

Product Development (1)

DP140072

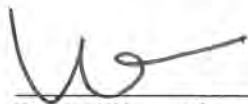
Prevention (7)

PP140018, PP140049, PP140176, PP140182, PP140183, PP140209, PP140210

Scientific Research (65)

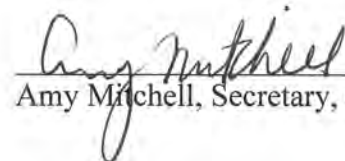
RP140132, RP140140, RP140141, RP140143, RP140152, RP140218, RP140222, RP140224, RP140233, RP140244, RP140262, RP140271, RP140285, RP140315, RP140320, RP140323, RP140328, RP140329, RP140367, RP140402, RP140408, RP140411, RP140412, RP140429, RP140430, RP140435, RP140449, RP140452, RP140462, RP140464, RP140468, RP140473, RP140479, RP140482, RP140500, RP140515, RP140517, RP140522, RP140542, RP140544, RP140556, RP140563, RP140594, RP140597, RP140606, RP140609, RP140612, RP140648, RP140649, RP140655, RP140661, RP140664, RP140672, RP140685, RP140781, RP140800, RP140842, RR140061, RR140071, RR140072, RR140073, RR140077, RR140081, RR140082, RR140084

By my signature, this list of reported conflicts of interest shall be included as the official record of conflicts of interest reported by Oversight Committee members for grant award recommendations considered at the August 20, 2014, Oversight Committee meeting.



Dr. William Rice, Presiding Officer, Oversight Committee

8-20-14 (date)



Amy Mitchell, Secretary, Oversight Committee

9-3-14 (date)



W. R. R. 8-20-14
Amy M. Mitchell 9/3/14

CANCER PREVENTION & RESEARCH INSTITUTE OF TEXAS

August 4, 2014

Dear Oversight Committee Members:

I am pleased to present the Program Integration Committee's (PIC) unanimous recommendations for funding 101 grant applications totaling \$107 million in grants. The PIC recommendations for 84 scientific research grant awards, 15 prevention awards and two product development awards are attached.

Dr. Margaret Kripke, CPRIT's Chief Scientific Officer, Dr. Becky Garcia, CPRIT's Chief Prevention Officer, and Dr. Tom Goodman, CPRIT's Product Development Officer, have prepared overviews of the scientific research, prevention, and product development program slates to assist your evaluation of the recommended awards. The overviews are intended to provide a comprehensive summary of the recommended proposals with enough detail that you should be able to understand the substance of the proposal and the reasons endorsing grant funding.

In addition to the comprehensive overviews, all of the information reviewed by the Review Councils is available by clicking on the appropriate link in the portal. This information includes the full application, peer reviewer critiques, and the CEO affidavit for each proposal.

The approval of these grant recommendations is governed by a statutory process that requires 2/3 of the members present and voting to approve each recommendation. David Reisman, CPRIT's Chief Compliance Officer, will certify that the review process for the recommended grants followed CPRIT's award process prior to any Oversight Committee action.

The award recommendations will not be considered final until the Oversight Committee meeting on Wednesday, August 20, 2014. Consistent with the non-disclosure agreement that all Oversight Committee members have signed, the recommendations should be kept confidential and not be disclosed to anyone until the award list is publicly announced at the Oversight Committee meeting. I request that Oversight Committee members not print, email or save to your computer's hard drive any material on the portal. I appreciate your assistance in taking all necessary precautions to protect this information.

If you have any questions or would like more information on the review process or any of the projects recommended for an award, CPRIT's staff, including myself, Dr. Kripke, Dr. Garcia, and Dr. Goodman, are always available. Please feel free to contact us directly should you have any questions. The programs that will be supported by the CPRIT awards are an important step in our efforts to mitigate the effects of cancer in Texas. Thank you for being part of this endeavor.

Sincerely,
Wayne R. Roberts
Chief Executive Officer

Academic Research Award Recommendations –

The PIC unanimously recommends approval of 84 academic grant proposals totaling \$76,277,535. The recommended grant proposals were submitted in response to one of five grant mechanisms: Individual Investigator Research Awards, High Impact-High Risk Research Awards, Recruitment of Established Investigators, Recruitment of Rising Stars, and Recruitment of First-Time Tenure-Track Faculty Members. The PIC followed the recommendations made by the Scientific Review Council (SRC). The SRC provided the prioritized list of recommendations for Individual Investigator Research Award and High Impact-High Risk Research Awards to the presiding officer of the PIC and the Oversight Committee on June 24, 2014. The SRC provided the prioritized list of recommendations for the Recruitment awards to the presiding officers on July 12, 2014.

The PIC is required to give funding priority, to the extent possible, to applications that meet one or more criteria set forth in V.T.C.A., TEX. HEALTH & SAFETY CODE § 102.251(a)(2)(C). The PIC determined that these academic research proposals met the following CPRIT funding priorities:

- could lead to immediate or long-term medical and scientific breakthroughs in the area of cancer prevention or cures for cancer;
- strengthen and enhance fundamental science in cancer research;
- ensure a comprehensive coordinated approach to cancer research [Individual Investigator Research Awards];
- address federal or other major research sponsors' priorities in emerging scientific or technology fields in the area of cancer prevention or cures for cancer;
- are matched with funds available by a private or nonprofit entity and institution or institutions of higher education;
- have a demonstrable economic development benefit to this state [Individual Investigator Research Awards, Recruitment Awards];
- enhance research superiority at institutions of higher education in this state by creating new research superiority, attracting existing research superiority from institutions not located in this state and other research entities, or enhancing existing research superiority by attracting from outside this state additional researchers and resources [Recruitment Applications]; and
- address the goals of the Texas Cancer Plan.

Individual Investigator and High Impact-High Risk Grant Award Recommendations

App ID	Award Type	Organization	Application Title	Budget
RP140244	IIRA	The University of Texas M. D. Anderson Cancer Center	Regulation of MDM2-mediated oncogenesis and anti-tumor immunity by USP15	\$870,156
RP140412	IIRA	The University of Texas Southwestern Medical Center	Endotrophin and the Obesity/Cancer Nexus: Role in Growth and Chemoresistance	\$899,997
RP140597	IIRA	The University of Texas M. D. Anderson Cancer Center	Role of TJPI1 in Sensitivity and Resistance to Proteasome Inhibitors in Myeloma	\$900,000
RP140655	IIRA	The University of Texas Southwestern Medical Center	Evaluation of the role of tumor suppressor candidate NPRL2 in cell growth control	\$596,265
RP140350	HIHR	Baylor College of Medicine	Integrated Human Herpesvirus 6 as a Novel Heritable Risk Factor for Glioma	\$199,298

RP140606	IIRA	The University of Texas M. D. Anderson Cancer Center	Optimizing therapy for glioblastoma through genomic profiling of treatment failure	\$900,000
RP140672	IIRA	The University of Texas Southwestern Medical Center	Mutant KRAS reprograms lipid metabolism exposing beta-oxidation as a novel therapeutic target in lung cancer lung cancer	\$687,759
RP140402	IIRA	The University of Texas Southwestern Medical Center	Novel targets for acute myeloid leukemia treatment	\$900,000
RP140464	IIRA	The University of Texas M. D. Anderson Cancer Center	Next Generation Sequencing and Transcriptome Profiling of Oral Potentially Malignant Lesions to Identify Markers of Cancer Risk and Targets for Chemoprevention	\$900,000
RP140612	IIRA	The University of Texas M. D. Anderson Cancer Center	Collateral Genomic Deletions As Targetable Vulnerabilities in Cancer	\$900,000
RP140469	IIRA	Baylor College of Medicine	Novel Small Molecule Probes Targeting IDH Mutated Glioma	\$695,527
RP140323	IIRA	The University of Texas M. D. Anderson Cancer Center	Role of a novel histone variant-specific epigenetic reader ZMYND11 in breast cancer	\$899,534
RP140408	IIRA	The University of Texas M. D. Anderson Cancer Center	Identificaiton of a novel mechanism of mTORC1 and autophagy regulation for cancer therapy.	\$900,000
RP140462	IIRA	The University of Texas M. D. Anderson Cancer Center	Systematic Investigation of Clinically Relevant Expressed Pseudogenes in Cancer	\$870,539
RP140132	IIRA	Rice University	Towards Point-of-Care Nucleic Acid Cancer Diagnostics	\$900,000
RP140517	IIRA	The University of Texas at Dallas	Optimal Biomarkers for Personalized Cancer Therapy: A Network-Based Approach	\$490,689
RP140285	IIRA	The University of Texas Southwestern Medical Center	Noninvasive Identification of Prostate Tumor Hypoxia as a Prognostic Biomarker of Radiation Response	\$895,820
RP140664	HIHR	The University of Texas at Austin	Development of therapeutic antibodies having both Fc[gamma] and Fc[Alpha] effector functions and displaying potent cancer cell killing.	\$200,000
RP140329	HIHR	The University of Texas M. D. Anderson Cancer Center	Opening the central nervous system to immunotherapy by blocking TREK1	\$198,957
RP140181	IIRA	Baylor College of Medicine	Mechanisms of CTC Biomarkers in Breast Cancer Brain Metastasis	\$899,968
RP140252	IIRA	Baylor College of Medicine	Investigating and preclinical targeting molecular drivers of muscle-invasive bladder cancer	\$827,451
RP140262	IIRA	The University of Texas M. D. Anderson Cancer Center	Intrinsic Reward Sensitivity & Smoking Cessation with Varenicline or Patch NRT	\$899,505
RP140784	IIRA	Baylor Research Institute	Next Generation Sequencing-Based Approaches for the Development of Epigenetic Biomarkers for Predicting Therapeutic Outcome in Patients with Colorectal Cancer	\$886,982
RP140556	IIRA	The University of Texas M. D. Anderson Cancer Center	DNA methylation and telomere length in peripheral blood as predictors of aggressive prostate cancer	\$898,721
RP140298	IIRA	Texas Tech University	Engineering microfluidic devices for multimodal mechanical phenotyping of tumor cells in flow	\$674,465
RP140152	IIRA	The University of Texas Southwestern Medical Center	Natural Product for Treatment of Non-Small Cell Lung Cancer	\$772,368
RP140218	IIRA	The University of Texas M. D. Anderson Cancer Center	Inhibiting Oxidative Phosphorylation: A Novel Strategy in Leukemia	\$826,744

RP140522	IIRA	The University of Texas M. D. Anderson Cancer Center	Reversing vaccination-induced impairment of anti-CTLA-4-based cancer therapy.	\$899,991
RP140233	IIRA	The University of Texas Southwestern Medical Center	Structure-guided Kinase Inhibitor Design for Cancer Therapy	\$900,000
RP140648	IIRA	The University of Texas at Austin	New Therapeutic Strategies for Metastatic Melanoma	\$900,000
RP140452	IIRA	The University of Texas Health Science Center at San Antonio	Inactivating mutation of D2HGDH establishes a novel link between metabolism, alpha-KG dependent dioxygenases and epigenetic reprogramming in B cell lymphoma	\$854,740
RP140840	HIHR	Texas Tech University	New Technology for Ultra High Throughput Enumeration of Circulating Tumor Cells	\$199,993
RP140001	IIRA	Baylor College of Medicine	Role of DNA METHYLTRANSFERASE 3A in Hematologic Malignancies	\$900,000
RP140468	IIRA	The University of Texas M. D. Anderson Cancer Center	TARGETING OF CHRONIC LYMPHOCYTIC LEUKEMIA BY DESIGNER T CELLS	\$900,000
RP140449	HIHR	The University of Texas Southwestern Medical Center	A new Cancer Target: AMPylation machinery	\$200,000
RP140271	IIRA	The University of Texas M. D. Anderson Cancer Center	Targeting p53 in cancer through manipulation of p63 and p73	\$900,000
RP140140	IIRA	The University of Texas Southwestern Medical Center	Turn ON the Tumor Contrast for Surgical Resection of Head and Neck Cancers	\$900,000
RP140482	IIRA	The University of Texas M. D. Anderson Cancer Center	Preclinical Intravital Microscopy of Prostate Cancer Lesions in Bone: Identification and Eradication of Survival Niches by Combination Therapy	\$256,061
RP140141	IIRA	The University of Texas Southwestern Medical Center	Targeting HER2 for cancer therapy	\$892,989
RP140179	IIRA	Baylor College of Medicine	Targeting self-renewal in leukemic stem cells through the inactivation of KLF4	\$813,789
RP140430	IIRA	The University of Texas M. D. Anderson Cancer Center	Synaptic Mechanisms of Cognitive Decline after Cranial Radiation	\$836,557
RP140563	IIRA	The University of Texas M. D. Anderson Cancer Center	PAF, a Novel Wnt Signaling Regulator, in Colorectal Cancer	\$900,000
RP140223	HIHR	Baylor College of Medicine	Viral MicroRNAs in Ovarian Cancer Growth and Metastasis	\$199,995
RP140224	IIRA	The University of Texas M. D. Anderson Cancer Center	PPAR-delta Regulation of Wnt/B-catenin to Drive Colon Cancer	\$890,003
RP140315	IIRA	The Methodist Hospital Research Institute	Accurate and High Throughput Detection of Breast and Ovarian Cancer Cells in Whole Blood	\$900,000
RP140649	HIHR	The University of Texas at Austin	Realizing Personalized and Precision Medicine for Melanoma: A Rapid Assay for Measuring ERK Activity	\$200,000
RP140222	IIRA	The University of Texas M. D. Anderson Cancer Center	Direct Roles for RB and E2F1 in DNA Repair	\$900,000
RP140685	IIRA	The University of Texas Health Science Center at San Antonio	Modulation of autophagy: Phase II study of vorinostat plus hydroxychloroquine vs. regorafenib in refractory metastatic colorectal cancer (mCRC)	\$825,285
RP140500*	IIRA	The University of Texas M. D. Anderson Cancer Center	Toward the Cure of Myelodysplastic Syndrome: Interfering with Innate Immunity Alterations in Human and Mouse Systems	\$900,000

RP140216	HIHR	Baylor College of Medicine	Context-Specific In Vivo Screening for KRAS-Associated Gene Aberration Drivers Using Genetically Engineered Mouse Models of Lung Cancer	\$199,715
RP140842	IIRA	The University of Texas at Austin	Determining the Functional Role of microRNAs in Viral Tumorigenesis.	\$604,624
RP140478	HIHR	Texas Tech University	Computational Chemistry Determination of DNA Damage Mechanisms in Proton Cancer Therapy to Optimize Its Clinical Use	\$200,000
RP140544	IIRA	The University of Texas at Dallas	Mapping Acidic Tumor Microenvironment with Renal Clearable pH Nanoindicators	\$900,000
RP140456	IIRA	Baylor College of Medicine	Role of DNA2 Nuclease in Cellular Tolerance of Replication Stress and Telomere Maintenance - Implications for Cancer Biology and Anticancer Therapy	\$746,531
RP140515	IIRA	The University of Texas M. D. Anderson Cancer Center	CDK Inhibitors as Adjunctive to 5-FU and/or Radiation in Esophageal Adenocarcinoma- Assessment of Efficacy and Predictive Biomarkers	\$882,133
RP140399	IIRA	Baylor University	Targeting Hypoxia in Breast Cancer with Highly Potent Small-Molecule Anticancer Prodrugs	\$900,000
RP140320	HIHR	The University of Texas Southwestern Medical Center	DISSECTING A Necrotic Signaling Pathway in Human Cancer Cells	\$200,000
RP140661	IIRA	The University of Texas Southwestern Medical Center	Analyses of the regulatory mechanisms of tankyrase and its role in tumorigenesis	\$876,751
RP140367	IIRA	The University of Texas Southwestern Medical Center	Targeting BRD4 in Breast Cancer	\$900,000
RP140678	HIHR	Scott & White Healthcare	Novel, humanized single-chain CD123xCD3 bispecific antibodies for eliminating leukemia stem cells and leukemic cells	\$199,959
RP140800	IIRA	The University of Texas Health Science Center at Houston	The Role of Alternative Polyadenylation in Glioblastoma Tumor Progression	\$848,491
RP140473	IIRA	The University of Texas Health Science Center at San Antonio	Investigation of the tumor suppressor TMEM127 on lysosome function and lipid metabolism	\$881,146
RP140542	IIRA	The University of Texas M. D. Anderson Cancer Center	Biology and Therapy of Basal Bladder Cancers	\$865,587
RP140594	IIRA	The University of Texas Health Science Center at San Antonio	microRNAs: safe and effective therapeutic adjuvants for treating drug resistant breast cancers	\$900,000
RP140479	HIHR	Texas A&M University	Screening for melanoma genes using natural hybrid incompatibilities	\$199,993
RP140435	HIHR	The University of Texas Health Science Center at San Antonio	SHH/GLI3 signaling axis as a therapeutic target in castration resistant prostate cancer	\$200,000
RP140553	IIRA	Baylor College of Medicine	Translational Discovery of Resistance Genes and Cancer Gene Functions	\$900,000
RP140616	IIRA	Baylor College of Medicine	Tenascin-C and Metastatic Prostate Cancer Progression	\$827,806
RP140429	IIRA	The University of Texas M. D. Anderson Cancer Center	The Role of DIRAS3 (ARHI) in Initiating Autophagy and Tumor Dormancy	\$900,000
RP140411	IIRA	The University of Texas M. D. Anderson Cancer Center	Targeting Tumor Cell Invasion in Glioblastoma	\$900,000

RP140258	IIRA	Baylor College of Medicine	The Intersection between Childhood Cancer and Congenital Anomalies: Identifying Novel Cancer Predisposition Syndromes	\$874,964
RP140781	HIHR	Texas A&M University	High-Field Open MRI: Cost-Effective Screening for Early Detection of Breast Cancer	\$200,000
RP140328	HIHR	The University of Texas at Austin	Synthetic protein degradation agents to clear oncogenic proteins from cells	\$199,852
RP140143	IIRA	The University of Texas Southwestern Medical Center	Dependence of small cell lung cancer on the basic helix-loop-helix transcription factors Ascl1 and NeuroD1	\$900,000
RP140767	IIRA	Baylor College of Medicine	Toll-like receptors, gut microbiota, and risk of colorectal adenoma	\$899,131
RP140609	IIRA	The University of Texas M. D. Anderson Cancer Center	A missing link between obesity and cancer: Adipose derived stem cells	\$610,704

* Note the changed title from the original SRC recommendations sent by SRC Chair Dr. Richard Kolodner on June 24, 2014. Dr. Kolodner corrected the title for RP140500 in a letter dated July 10, 2014.

Recruitment Grant Award Recommendations

Application ID	Nominator Organization	Candidate	Mechanism*	Budget Requested
RR140082	The University of Texas Southwestern Medical Center	Daniela Nicastro	RRS	\$4,000,000
RR140084	The University of Texas Southwestern Medical Center	David McFadden	RFT	\$2,000,000
RR140071	The University of Texas M. D. Anderson Cancer Center	Yiwen Chen	RFT	\$2,000,000
RR140061	The University of Texas Southwestern Medical Center	Andrew Hsieh	RFT	\$2,000,000
RR140072	The University of Texas Health Science Center at San Antonio	Kexin Xu	RFT	\$2,000,000
RR140081	Rice University	Gang Bao	REI	\$6,000,000
RR140077	The University of Texas M. D. Anderson Cancer Center	George Eisenhoffer	RFT	\$2,000,000
RR140073	Rice University	Aryeh Warmflash	RFT	\$2,000,000

*RRS = Recruitment of Rising Star, RFT = Recruitment of First Time Tenure Track, REI = Recruitment of Established Investigator

Prevention Award Recommendations -

The PIC unanimously recommends approval of 15 prevention grant proposals totaling \$17,568,470. The recommended grant proposals were submitted in response to one of two grant mechanisms: Evidence-Based Cancer Prevention Services and Competitive Continuation/Expansion Grants. The PIC followed the recommendations made by the Prevention Review Council.

The PIC is required to give funding priority, to the extent possible, to applications that meet one or more criteria set forth in V.T.C.A., TEX. HEALTH & SAFETY CODE § 102.251(a)(2)(C). The PIC determined that these prevention proposals met the following CPRIT funding priorities:

- ensure a comprehensive coordinated approach to cancer research;
- address federal or other major research sponsors' priorities in emerging scientific or technology fields in the area of cancer prevention or cures for cancer;
- are collaborative between any combination of private and nonprofit entities, public or private agencies or institutions in this state, and public or private institutions outside this state [Evidence-Based Cancer Prevention Services];
- have a demonstrable economic development benefit to this state; and
- address the goals of the Texas Cancer Plan.

Evidence-Based Cancer Prevention Services and Competitive Continuation/Expansion Grant Award Recommendations

App ID	Award Type	Title	Organization	Budget
PP140208	EBP	Increasing HPV Vaccinations in Harris and Jefferson Counties Using Combined Evidence-Based Approaches in a Federally Qualified Health Center	Legacy Community Health Services	\$1,500,000
PP140205	CCE EBP	Eliminating Cancer Disparities in Medically Underserved Immigrant and Refugee Populations in Houston Texas	Asian American Health Coalition of Greater Houston, Inc., dba Hope Clinic	\$1,496,840
PP140033	CCE EBP	Access to Breast and Cervical Care for West Texas (ABC24WT)	Texas Tech University Health Sciences Center	\$1,499,670
PP140183	EBP	Multi-component Interventions to Increase HPV Vaccination in a Network of Pediatric Clinics	The University of Texas Health Science Center at Houston	\$1,495,388
PP140049	CCE PubEd	Educating Hispanic adolescents and their families on cervical cancer prevention and HPV vaccination in community and clinic settings	The University of Texas Health Science Center at San Antonio	\$149,985
PP140176	EBP	SMS Cessation Service for Young Adult Smokers in South Texas	The University of Texas Health Science Center at San Antonio	\$1,400,045
PP140211	EBP	Tiempo de vacunarte! Time to get vaccinated!	Texas Tech University Health Sciences Center at El Paso	\$1,499,195
PP140018	EBP	Improving Access to Colorectal Cancer Screening in East Texas	The University of Texas Health Center at Tyler	\$1,269,216
PP140164	CCE EBP	ACCION 2: Against Colorectal Cancer in our Neighborhoods: El Paso and Hudspeth County	Texas Tech University Health Sciences Center at El Paso	\$1,499,438
PP140209	EBP	Building a Healthy Temple Cancer Primary Prevention Program amongst Hispanics	The University of Texas at San Antonio	\$573,095
PP140210	CCE ProfEd	Cancer genomics training program for a competent Texas health education workforce	Texas A&M University	\$149,991
PP140026	CCE EBP	Bridging Access to Breast Healthcare Services	The Bridge Breast Network	\$1,497,357
PP140028	CCE EBP	Empowering the Medically Underserved Through a Community Network for Cancer Prevention	Baylor College of Medicine	\$1,499,234

PP140182	CCE EBP	Population Based Screening for Hereditary Breast and Ovarian Cancer Syndrome and the Lynch syndrome in the Underserved	The University of Texas Southwestern Medical Center	\$1,499,872
PP140171	CCEE BP	Navigating Rural Highways II: Expanding Access to Breast Cancer Screening and the Care Continuum for Underserved Texas Women (NRH II)	The Rose	\$539,144

Product Development Award Recommendations –

The PIC unanimously recommends approval of two product development grant proposals totaling \$13,580,185. The recommended grant proposals were submitted in response to the New Company Product Development Request for Applications. The PIC followed the recommendations made by the Product Development Review Council.

The PIC is required to give funding priority, to the extent possible, to applications that meet one or more criteria set forth in V.T.C.A., TEX. HEALTH & SAFETY CODE § 102.251(a)(2)(C). The PIC determined that these product development proposals met the following CPRIT funding priorities:

- could lead to immediate or long-term medical and scientific breakthroughs in the area of cancer prevention or cures for cancer ;
- strengthen and enhance fundamental science in cancer research [DP140034];
- are interdisciplinary or interinstitutional [DP140072];
- address federal or other major research sponsors' priorities in emerging scientific or technology fields in the area of cancer prevention or cures for cancer;
- are matched with funds available by a private or nonprofit entity and institution or institutions of higher education;
- are collaborative between any combination of private and nonprofit entities, public or private agencies or institutions in this state, and public or private institutions outside this state;
- have a demonstrable economic development benefit to this state;
- expedite innovation and product development, attract, create, or expand private sector entities that will drive a substantial increase in high-quality jobs, and increase higher education applied science or technology research capabilities; and
- address the goals of the Texas Cancer Plan.

Product Development Grant Award Recommendations

App ID	Company Name	Project	Budget*
DP140034	Curtana Pharmaceuticals, Inc.	Preclinical Drug Discovery and Development of Novel, First-In-Class, Small Molecule Compounds That Directly Target Glioblastoma and Other Brain Cancers	\$7,580,185
DP140072	OncoNano Medicine, Inc.	Transforming Cancer Surgery by Tumor Illumination	\$6,000,000

* CPRIT will seek Oversight Committee approval at the August 20, 2014, meeting to authorize advancing grant award funds to both companies, subject to contract negotiation. The timing, amounts, and conditions of funding advancement will be presented to the Oversight Committee for review and approval.

