



CANCER PREVENTION & RESEARCH
INSTITUTE OF TEXAS

§ 703.23 Disbursement of Grant Award Funds

(a) The Institute disburses Grant Award funds by reimbursing the Grant Recipient for allowable costs already expended; however, the nature and circumstances of the Grant Mechanism or a particular Grant Award may justify advance payment of funds by the Institute pursuant to the Grant Contract.

(1) The Chief Executive Officer shall seek authorization from the Oversight Committee to disburse Grant Award funds by advance payment.

(A) A simple majority of Oversight Committee Members present and voting must approve the Chief Executive Officer's advance payment recommendation for the Grant Award.

(B) Unless specifically stated at the time of the Oversight Committee's vote, the Oversight Committee's approval to disburse Grant Award funds by advance payment is effective for the term of the Grant Award.

(2) Unless otherwise specified in the Grant Contract, the amount of Grant Award funds advanced in any particular Tranche may not exceed the budget amount for the corresponding Project Year.

(3) The Grant Recipient receiving advance payment of Grant Award funds must maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the Grant Award funds and disbursement by the Grant Recipient.

(4) The Grant Recipient must comply with all financial reporting requirements regarding use of Grant Award funds, including timely submission of quarterly Financial Status Reports.

(5) The Grant Recipient must expend at least 90% of the Grant Award funds in a Tranche before Institute will advance additional Grant Award [grant] funds or reimburse additional costs. To the extent possible, the Institute will work with the Grant Recipient to coordinate the advancement of Grant Award fund Tranches in such a way as to avoid affecting work in progress or project planning.

(6) Nothing herein creates an entitlement to advance payment of Grant Award funds; the Institute may determine in its sole discretion that circumstances justify limiting the amount of Grant Award funds eligible for advance payment, may restrict the period for the advance payment of Grant Award funds, or may revert to payment on a reimbursement-basis. ~~[Unless specifically stated in the Grant Contract, the Institute will disburse the last ten percent (10%) of the total Grant Award funds using the~~

~~reimbursement method of funding, and will withhold payment until the Grant Recipient has closed its Grant Contract and the Institute has approved the Grant Recipient's final reports pursuant to §703.14 of this chapter relating to Termination, Extension, Close Out of Grant Contracts, and De-Obligation of Grant Award funds.~~

~~(A) A Grant Recipient receiving advance payment may request in writing that the Institute withhold less than ten percent (10%) of the total Grant Award funds. The Grant Recipient must submit the request and reasonable justification to the Institute no sooner than the start of the final year and no later than the start of the final financial status reporting period of the grant project.~~

~~(B) The Chief Executive Officer may approve or deny the request. If approved, the Chief Executive Officer will provide written notification to the Oversight Committee. The Chief Executive Officer's decision to approve or deny a request is final.]~~

(b) The Institute will disburse Grant Award funds for actual cash expenditures reported on the Grant Recipient's quarterly Financial Status Report.

(1) Only expenses that are allowable and supported by adequate documentation are eligible to be paid with Grant Award funds.

(2) A Grant Recipient must pay their vendors and subcontractors prior to requesting reimbursement from CPRIT.

(c) The Institute may withhold disbursing Grant Award funds if the Grant Recipient has not submitted required reports, including quarterly Financial Status Reports, Grant Progress Reports, Matching Fund Reports, audits and other financial reports. Unless otherwise specified for the particular Grant Award, Institute approval of the required report(s) is necessary for disbursement of Grant Award funds.

(1) For all Grant Recipients under the Product Development Research Grant Program, the Institute will withhold ten percent (10%) of the total Grant Award funds until the Grant Recipient has closed its Grant Contract and the Institute has approved the Grant Recipient's close out documents pursuant to Chapter 703, §703.14 of this title (relating to Termination, Extension, Close Out of Grant Contracts, and De-Obligation of Grant Award funds).

(A) A Grant Recipient described in this paragraph may request in writing that the Institute withhold less than ten percent (10%) of the total Grant Award funds. The Grant Recipient must submit the request and reasonable justification in writing to the Institute no sooner than one year prior to the termination date of the Grant

Contract and no later than the first day of the final Financial Status Report period of the Grant Contract.

(B) The Chief Executive Officer has sole discretion to approve or deny the request. If approved, the Chief Executive Officer will provide written notification to the Oversight Committee. The Chief Executive Officer's decision to approve or deny a request is final.

(2) For all other Grant Recipients, the Institute may, in the exercise of its sole discretion, withhold ten percent (10%) of the total Grant Award funds until the Grant Recipient has closed its Grant Contract and the Institute has approved the Grant Recipient's final close out documents pursuant to Chapter 703, §703.14 of this title. Unless the Institute's intention to exercise its authority under this paragraph is specifically mentioned in the Grant Contract, the Institute shall notify the Grant Recipient, in writing, of its intention to do so no later than the start of the final Financial Status Report period of the Grant Award.

(A) A Grant Recipient described in this paragraph may request in writing that the Institute withhold less than ten percent (10%) of the total Grant Award funds. The Grant Recipient must submit the request and reasonable justification to the Institute no sooner than one year prior to the termination date of the Grant Contract and no later than the first day of the final Financial Status Report period of the Grant Contract.

(B) The Chief Executive Officer has sole discretion to approve or deny the request. If approved, the Chief Executive Officer will provide written notification to the Oversight Committee. The Chief Executive Officer's decision to approve or deny a request is final.

(d) All Grant Award funds are disbursed pursuant to a fully executed Grant Contract. Grant Award funds shall not be disbursed prior to the effective date of the Grant Contract.