

**CPRIT Grantee
Annual Compliance
Training**
October 2024


Product Development



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CONTACT INFORMATION

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PROGRAMMATIC CONTACT – PRODUCT DEVELOPMENT


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TRAINING OVERVIEW


- Introductions
- FWA Reporting
- Recent Administrative Rule Changes
- Policies and Procedures Guide Overview
- Required Reporting
- Programmatic Topics



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Sources of CPRIT Grantee Requirements

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



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Fraud, Waste, & Abuse



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FRAUD, WASTE, & ABUSE

How do I Make a Report?
Use Client Code #5124633190
(Users can remain anonymous)

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

Online www.RedFlagReporting.com




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FRAUD, WASTE, & ABUSE




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Administrative Rules and
Policies and Procedures Guide




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How to Stay in the Know

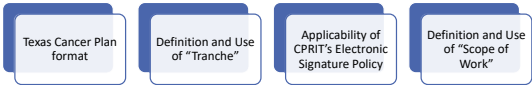


- Check CPRIT's website
- Receive CPRIT listserv emails
- Watch Oversight Committee meetings
- Attend training webinars




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Recently Adopted Administrative Rule Changes




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Texas Cancer Plan
format


- Removes the hard copy option for the *Texas Cancer Plan*.
- CPRIT plans to present the next version of the *Texas Cancer Plan* as a fully online, dynamic resource available to the public




§ 701.11(5)




Final adoption at the August 21 Oversight Committee meeting.





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Definition of "Tranche"


- A portion of grant funds that is released to a grantee after the successful completion of predefined milestones.
- Adds "Tranche," which CPRIT has used for over a decade, to the agency's list of defined terms in Chapter 701.


 § 701.3


 Final adoption at the May 15th Oversight Committee meeting.


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Use of "Tranche"


- Capitalizes the term "Tranche" where it already appears in Chapter 703.
- These are non-substantive changes.


 § 703.10, 703.21, and 703.23


 Final adoption at the May 15th Oversight Committee meeting.


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Applicability of CPRIT's Electronic Signature Policy

- Clarifies that CPRIT's electronic signature policy applies to grant applicants as well as grant recipients.
- The policy allows CPRIT to rely on information submitted by a Grant Recipient's Authorized Signing Official (ASO) as legally binding.
- *Adopted & final in December 2023*



 § 701.25

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Definition of "Scope of Work"




§ 701.3(63)


- CPRIT amended the definition of scope of work to include "specific aims and sub aims, if appropriate."
- Scope of Work: the goals and objectives or specific aims and sub aims, if appropriate, of the Cancer Research or Cancer Prevention project, including the timeline and milestones to be achieved.
- A request for Applications (RFA) will specify applicable terminology for a grant mechanism.
- *Adopted & final in September 2023*



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Use of "Scope of Work"



§ 701.3(29), 703.6, 703.7, 703.10, 703.21, 703.25

- These are non substantive changes that ensure consistent use of "Scope of Work" in CPRIT's rules.
- CPRIT replaced variations referring to scope of work (e.g., project goals, project scope) with the defined term "Scope of Work."
- Scope of Work includes CPRIT grant project: goals and objectives, specific aims and sub aims, if appropriate, timeline, and milestones to be achieved
- *Adopted & final in September 2023*



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Update on CPRIT's Online Portal for Grantee Intellectual property (IP) Reporting

- The CPRIT online portal for IP reporting is now operational for grantees to fulfill their IP reporting requirements.
- Attachment D of the grant contract requires grantees to notify CPRIT of certain IP-related actions (e.g., invention disclosures). IP reports submitted by grantees through the online portal fulfills IP reporting requirements of the grant contract.
- Dr. Michelle Leeuwon at CPRIT continues to provide IP database updates to grantees via email.
- If you have any questions about the online portal for IP reporting, please contact jreporting@cprit.texas.gov.

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Administrative Rules and Policies and Procedures Guide
Q&A



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Required Grant Reports




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Polling Question

The Financial Status Report (FSR), Inventory Report and Audit Report are all annual reports.

Answer: False


The Financial Status Report (FSR) is due quarterly



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Reporting Requirements

<p>❖ Annual</p> <ul style="list-style-type: none">▪ Inventory Report▪ Revenue Sharing Report▪ HUB/Texas Suppliers Report▪ Matching Compliance Certification▪ Annual Progress Report▪ Single Audit Determination Form▪ Audit Report	<p>❖ Quarterly</p> <ul style="list-style-type: none">▪ Financial Status Report▪ Quarterly Progress Report <p>❖ Periodic</p> <ul style="list-style-type: none">▪ Interim/ Tranche Report <p>❖ All report due dates are available in CGMS</p>
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Financial Status Report (FSR)


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Polling Question

The deadline for a grantee to respond to a request for additional FSR documentation is 5 business days.

Answer: True

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Texas Administrative Code

TITLE 25 HEALTH SERVICES
PART 11 CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS
CHAPTER 703 GRANTS FOR CANCER PREVENTION AND RESEARCH
RULE §703.24 Financial Status Reports

(5) The Institute may request in writing that a Grant Recipient provide more information or correct a deficiency in the supporting documentation for a Financial Status Report. If a Grant Recipient does not submit the requested information within five (5) business days after the request is submitted, the Financial Status Report may be disapproved by the Institute.

TAC §703.24 (a)(15)

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Fiscal Quarter	FSR/Deferral Due Date	Last Day of Grace Period
Sept 1 – Nov 30	February 28	March 30
Dec 1 – Feb 28	May 29	June 28
Mar 1 – May 31	August 29	September 28
June 1 – Aug 31	November 29	December 29

FSR Due Dates

FSR in "Complete Web Form" status can be submitted as early as the day after the fiscal quarter ends, up until the due date.

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FSR Review and Approval Process

Submit FSR in CGMS

Includes uploading the necessary supporting documentation for all expenses reported in the FSR.

Grant Accountant (GA) Review

GA verifies FSR includes allowable expenses w/ complete support documentation.

GA may request clarification/additional supporting documentation from grantees or disapprove the FSR for corrections if unallowable costs included.

Grantee should submit additional documentation or responses to questions within five (5) business days after the request; if no action taken by grantees in the timeframe, GA disapproves the FSR.

2nd Level Review

Compliance verifies FSR includes allowable expenses w/ complete support documentation.

Compliance may request additional information /documentation.

Once FSR and documentation are reviewed and no additional documentation or corrections are needed, authorization that the FSR can be approved is sent to GA.

GA Approves FSR in CGMS

Reimbursement is initiated (Release of payment is dependent on the Grantee also being up-to-date on all other required grant reports).

CGMS sends approval notification to Grantee.

The next quarter's FSR form populates in CGMS for completion.

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FSR Required Supporting Documentation

- Every Financial Status Report (FSR) must include a summary report of expenses generated directly from an accounting system or itemized on an **Excel spreadsheet**, as well as documentation to support grant costs paid during the current reporting period.
- The report must contain the following information:
 - expense categories
 - itemized expenses
 - description of items
 - date paid

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FSR Submissions Checklist

-  Expenses are paid within FSR period
-  Payment date is included for all transactions
-  FSR amounts match ledger totals by expense category
-  Supporting documents are scanned in the same order as the transaction listing

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FSR Submissions Checklist

- Supporting documents are legible
- Invoice amounts match amounts shown on the ledger and partial charges are explained on the invoice
- Expenses are allowable and properly categorized
- A memo justification for cost out of period is provided

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FSR – Examples of Unallowable Costs

INDIVIDUAL PROFESSIONAL MEMBERSHIP FEES	ALCOHOL	TIPS & GRATUITIES
BAD DEBT	LOBBYING COSTS	ENTERTAINMENT


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Polling Question

What is the top reason FSRs are returned to grantees?

- A. PLOE revisions needed
- B. Unallowable expenses
- C. Missing support documents
- D. Lack of Out of the Period (OTP) Memo


Answer: C



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TOP 3 RESUBMISSION ISSUES

- Missing support documentation
- Need for expense clarification
- Miscategorized expenses



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Dell DIR-TSO-3763
OMNIA #R200803

Hardware

Reclassified from "other" to "supplies"

Description	Price	Qty	Est. Price
ME4084 Drive Upgrades	\$788.67	56	\$44,165.52
Subtotal: \$44,165.52			

Services

Correctly classified as "other"

Description	Price	Qty	Est. Price
Services: Block Hours	\$189.00	20	\$3,780.00
Subtotal: \$3,780.00			

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EXPENSE CLARIFICATION

Unclear description:

Line #	PO Line #	Description	UNIT	Qty	Unit Price	Estimated Amount
1	6	COLUMBIA 2147P 515 VYDQAC SUM	EA	1	\$1,127.68	\$1,127.68

Clear description:

10032-09	Budget Blanket #32	2	C	\$4.50	0.000	100.00
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FSR Required Supporting Documentation

If the date paid is not found in the summary report, it should be noted on invoices.

A payment claimed for a period prior to the current period should be accompanied by an **Out of Period (OTP)** letter or memo explaining why the payment was not claimed in the appropriate period.

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Acceptable OTP Explanation

Example A: the grantee has provided a clear explanation for why the expenses were not reported during the correct period

August 2, 2023

Financial Manager
CPRIT

RE: [Redacted]

Dear [Redacted],


We request that charges for personnel services provided from outside the current reporting period be allowed to be reported during the reporting period 03/01/23-05/31/23.

Some employees had corrections for prior reporting periods. We have confirmed that these corrections are allowable and that the employee was authorized for the period paid.

Thank you very much for your consideration of this request.

With best regards,

[Redacted]
VP Finance and Chief Accounting Officer

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Unacceptable OTP Explanation

Example B: the grantee has requested that the OTP expenses be approved, with no explanation for why the expenses were not reported during the correct period

This is to request approval for expenses with invoice dates outside the current reporting period, but were paid within the period to comply with CPRIT policy on reimbursement

Contract	Project	Activity	Customer Account	Descr	Acct Category	Sum Amt	Code	Posted Date	Supplier	Name
SPA003291	10029435	000004	100649	510497 Om Lab And Med Sup	SUPPLIES	1,070.00	RFP	1/18/2023	0000137292	CITIBANK N.A
SPA003291	10029435	000003	100649	542210 Travel Out of State	TRAVEL	327.95	RFP	8/17/2022	0000137292	CITIBANK N.A
SPA003291	10029435	000003	100649	542210 Travel Out of State	TRAVEL	25.00	RFP	6/1/2022	0	
SPA003291	10029435	000003	100649	542210 Travel Out of State	TRAVEL	297.95	RFP	8/17/2022	0000137292	CITIBANK N.A
SPA003291	10029435	000003	100649	542210 Travel Out of State	TRAVEL	25.00	RFP	6/1/2022	0	

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FSR Support Documentation Resources

FSR Required Supporting Documentation by Expense Category


- Details the documentation a grantee must provide to support expenses reported for each budget category

CPRIT FSR Checklist

- A tool to assist grantees submit accurate information and documentation for all costs requested for reimbursement.


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Financial Status Report
Q&A



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Personnel / Fringe Expense
Category



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FSR Personnel & Fringe Best Practices

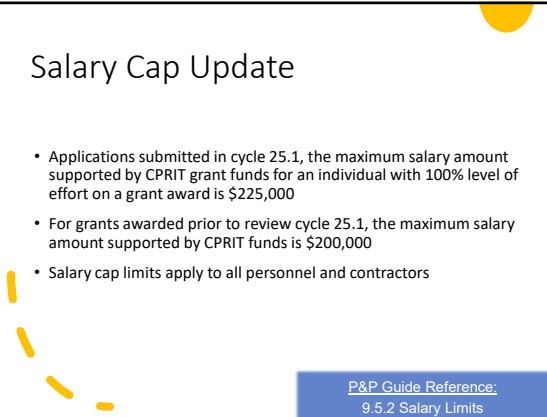
- Payroll ledger included and ties to expense ledger
- All employees are listed on PLOE with Level of Effort for current award year
- Fringe expenses are listed by category for each employee
 - **Exception:** A copy of the agreement that describes the categories of fringe included in the pool must be provided if a grantee uses pooled fringe in accordance with a federally approved rate agreement.

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Salary Cap Update


- Applications submitted in cycle 25.1, the maximum salary amount supported by CPRIT grant funds for an individual with 100% level of effort on a grant award is \$225,000
- For grants awarded prior to review cycle 25.1, the maximum salary amount supported by CPRIT funds is \$200,000
- Salary cap limits apply to all personnel and contractors

[P&P Guide Reference:](#)
9.5.2 Salary Limits



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Personnel Level of Effort (PLOE)




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Polling Question


The PLOE should include personnel with salary and fringe, travel, tuition and stipends on the grant.

Answer: True




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Personnel Level of Effort
Q&A



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Travel Expense Category



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Polling Question

Multiple meals can be reimbursed on the same receipt if each person's name and organization are provided.

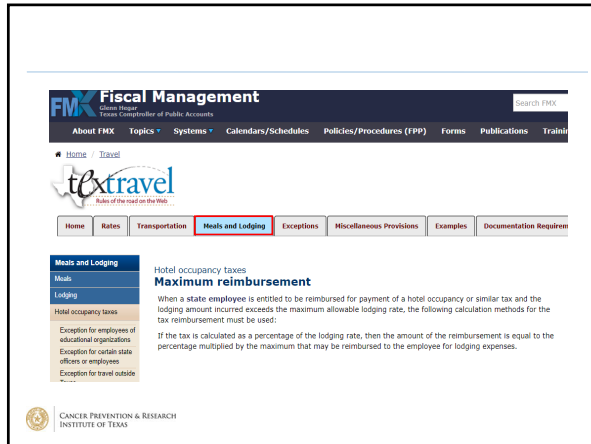
Answer: False

CPRIT will only reimburse meals for the individual(s) listed on the PLOE.

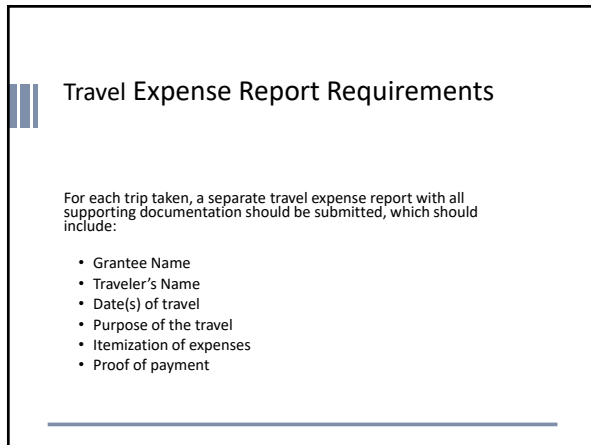
The receipt should indicate the allowed meal(s), minus any alcohol and gratuities.



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Travel Expense Checklist



Grantee **must** include documentation of CPRIT approval for all international travel expenses



GSA rate printout for the travel location(s) zip code should be attached



Mileage calculations and transportation receipts included



Gratuities and alcohol should be excluded



Meals and lodging expenses are within GSA limits



Include a calculation to show that hotel room rates and taxes are prorated when they exceed the per diem

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Ineligible Travel Costs

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

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Foreign Currency

All foreign currency expenses **must** be:

- converted to US dollar amounts before submitting to CPRIT, and
- documentation of the exchange rate used for the conversion **must** be included with all applicable supporting documents.


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**Travel Expense Category
Q&A**



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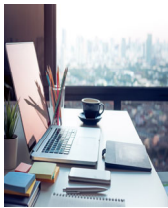
**Supplies, Other, Contractual &
Equipment**



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Supply Category Expenses


- Desktop and laptop computers (including notebooks, tablets, and similar devices)
- Non-portable printers and copiers
- Communication devices (mobile telephones)
- Lab materials
- Office Supplies
- Equipment with unit cost of less than \$5000



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Other Category Expenses

- Printing and reproduction expenses
- Services (ex., animal cost care, gene synthesis)
- Gift or gas cards
- Publication fees
- Equipment warranties and service contracts
- DNA sequencing, cloning, etc. services provided by a vendor
- Conference/registration fees
 - *Conference and seminar registration expenses should be listed in the "other" category if they are incurred by the institution/organization or an employee prior to travel.*
- Postage and shipping services (FedEx, UPS), etc.



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E&P Guide Reference: 10.8 Other Expense Category

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FSR – Contractual

INVOICE

An itemized expense report for all contractual expenditures should be submitted with the FSR.



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FSR – Contractual Travel

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

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Equipment




For all equipment expenses (unit cost of \$5000 or more), the grantee **must** include acceptable documentation of CPRIT approval.

- Acceptable documentation includes:
 - Initial Budget Justification with **equipment items highlighted**.
 - Approved change request

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Acceptable Equipment Documentation



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Acceptable Equipment Documentation

LINE	PART ID	DESCRIPTION	UM	TAX	QUANTITY	UNIT PRICE	EXTENSION
1	MSB001	Neurospine® Spine Instrument	EA	R	✓ 1.0000	25,116.00	✓ 25,116.00
2		FREIGHT CHARGE	EA	R	0.0000	0.00	79.50

Detailed Budget for Year One

Other Direct Charges	
Travel	\$3,000
Equipment (Detailed) ✓	
Funds are requested to upgrade several instruments to optimize manufacturing and to enhance efficiency (Equipment: Neurospine® Spine Instrument) (Appliance: Temperature, Shaking Incubator, Oxford Nanopore Technology MinION (refer to budget justification for details)).	\$50,000

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Matching Compliance Certification (MCC)



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Matching Compliance Certification (MCC)

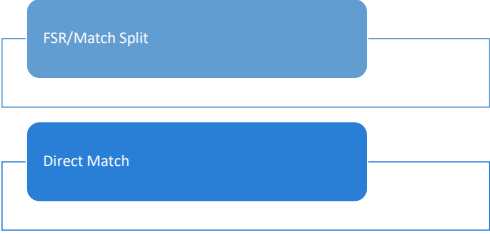
- Grantees should upload 100% of matching support documentation at the time the MCC form is completed and uploaded to CGMS
 - Match General Ledger
 - Invoices related to Match expenses
 - Proof of payment
- MCC will not be approved until all documentation is uploaded by the Grantee and reviewed by CPRIT




[PRP Guide Reference](#)
6.4 Matching Funds Certification and Verification

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MCC Reporting




The diagram shows two blue rounded rectangular boxes. The top box is labeled "FSR/Match Split" and the bottom box is labeled "Direct Match". Both boxes have a white rectangular box to their right, connected by a thin blue line, suggesting a flow or relationship between the categories and their respective reporting or verification steps.



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MCC


- For grantees receiving advancement of funds, the annual matching certification is based on the **greater** of
 - 1) the amount of funds advanced or
 - 2) the amount expended
- Example:**
 - Funds Advanced - \$1,000,000
 - Funds Expended - \$750,000
 - Required Match - \$500,000



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MCC Forecasting

- A grantee can request 50% of the total budget for the award year**
 - However, less can be requested to avoid a match requirement shortage.
 - Limit your advance request to the amount you expect to spend.
- If 50% has been requested**
 - However, the actual amount spent is less than the anticipated amount, consider reporting fewer expenses on the FSR and more expenses for match.
- Delay 2nd advance request**
 - If you are nearing the end of the grant award year and do not intend to spend the additional advance amount during that year.




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MCC – Deficiency

Grantees may carry forward a deficiency in matching funds to the next project year if -

- it is equal to or less than 20% of total match requirement
- and has no previous matching fund deficiency

CRP Guide: Roles and
4.4 Matching Funds Certification and Verification




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Matching Compliance
Certification
Q&A



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Programmatic Topics




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Polling Question

Rebudgeting change requests are automatically approved by CPRIT in CGMS.

Answer: False

Rebudgeting change requests will only be automatically approved by CGMS if the changes are equal to or less than 10% of the grant year's total budget.




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Progress Reports

Ensure that Progress Reports contain accurate and complete impact data.

This includes, but is not limited to:

- Publications
- Follow-on funds
- Patents
- Clinical trials
- 1–2-page project narrative



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Progress Reports – Common Errors

- Incomplete report
- Overlap with previous reports
- Duplicate entries (publications, jobs, etc.)
- Missing PDFs for published and in press publications or patents
- Inconsistencies between narrative and data entered

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CPRIT Acknowledgment

Funding
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- Printed and visual materials related to CPRIT funding should include CPRIT acknowledgment and grant ID.
- Publications not funded by CPRIT, should not be included in the progress report

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Change Request Types



- Goal or Objective Change
- Change of Organization Request
- No Cost Extension
- PI Change Request
- Personnel Level of Effort Change
- Rebudgeting
- Advancement of Funds
- Change – Not Otherwise Specified

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Goal or Objective Change

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


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Change of Organization

- Transfer of the award to another organization in Texas
- CPRIT awards may not be transferred to organizations outside the State of Texas



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No Cost Extension (NCE)

- A contract end date may be changed to allow the grantee more time to complete work on the grant project
- Only goals and objectives that have been approved but have not yet been completed can be conducted during an NCE

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No Cost Extension (NCE)


- Not automatically approved
- Include new requested End Date
- More than 6 months can be requested. The increased number of months should be mentioned in the first sentence of the justification
- Request must be submitted at least 30 days prior to termination date but not more than 180 days prior
- The PI must exhibit measurable effort during an approved NCE

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Change in Principal Investigator (PI)

- Not automatically approved
- Reviewed by CPRIT
- Bio-sketch of proposed PI
- Include Context and justification for change




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Personnel - Level of Effort Change (PLOE)

- Changes for all personnel or their level of effort on a CPRIT grant
- Include information regarding what changes are being made
- The justification must match the effort table




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Advancement of Funds

- For grants that have been specifically approved for disbursement of funds in advance of expending the funds
- It is within CPRIT's discretion to revert to a reimbursement basis and generally, the last 10% of grant funds will be disbursed on a reimbursement basis




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Rebudgeting

- Total approved budget and assignment of costs may be adjusted
- Fund transfers between budget categories can be permitted if it aligns with the project's scope, contributes to project objectives, and is an efficient use of grant funds.
- Prior approval is not required for
 - Changes to line items within budget categories that do not exceed 10%
 - Do not alter the total approved budget, project nature, performance, or scope.




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**Change Not Otherwise Specified (CNOS)
– International Travel**

- International Travel added after contract execution
 - Include name of person traveling
 - Please provide Ad Hoc Documents with the conference brochure and travel expense cost estimates.




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**Change Not Otherwise Specified (CNOS) –
Equipment**

- Equipment purchases not included in the grant application
- Upload current quote to Ad Hoc documents
- Ensure that service agreement does not exceed the grant period




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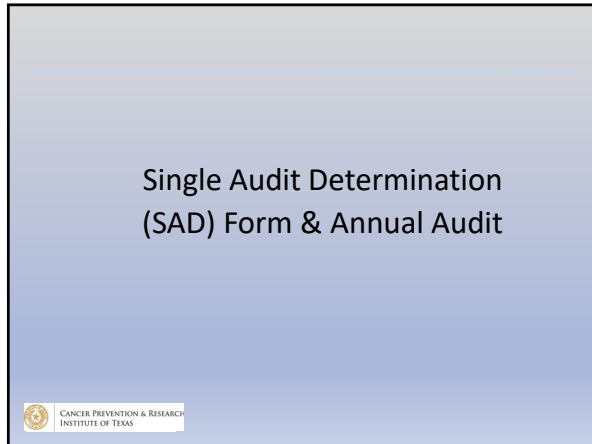
Change Not Otherwise Specified (CNOS)

- CEO change
- Upload the CV for a new CEO to Ad Hoc documents

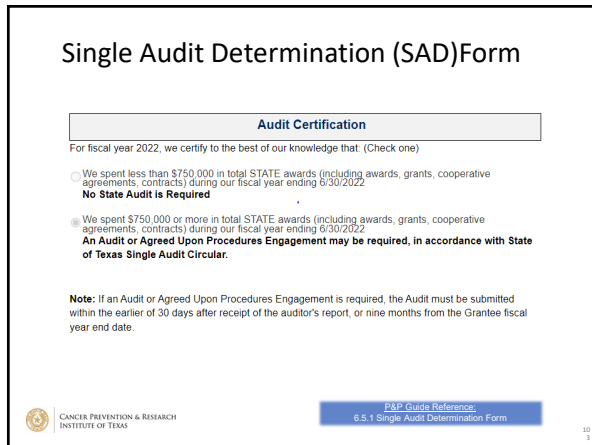


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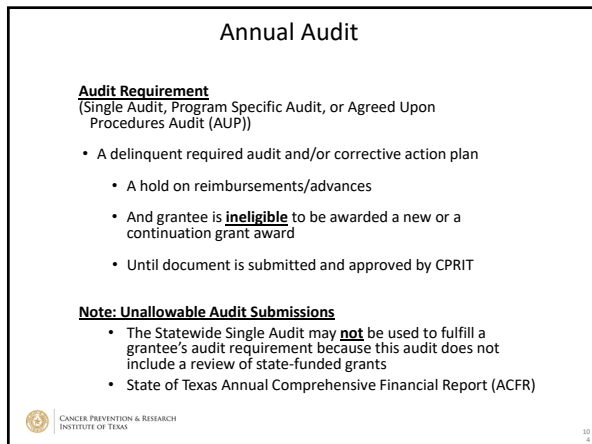
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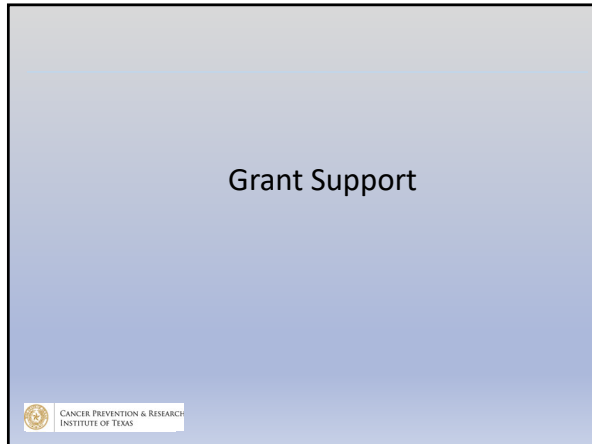
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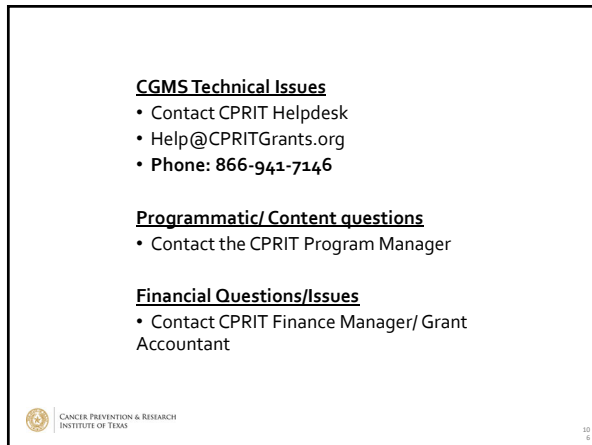
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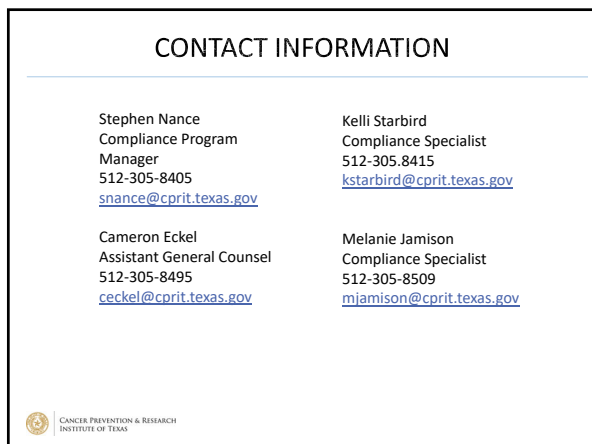
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