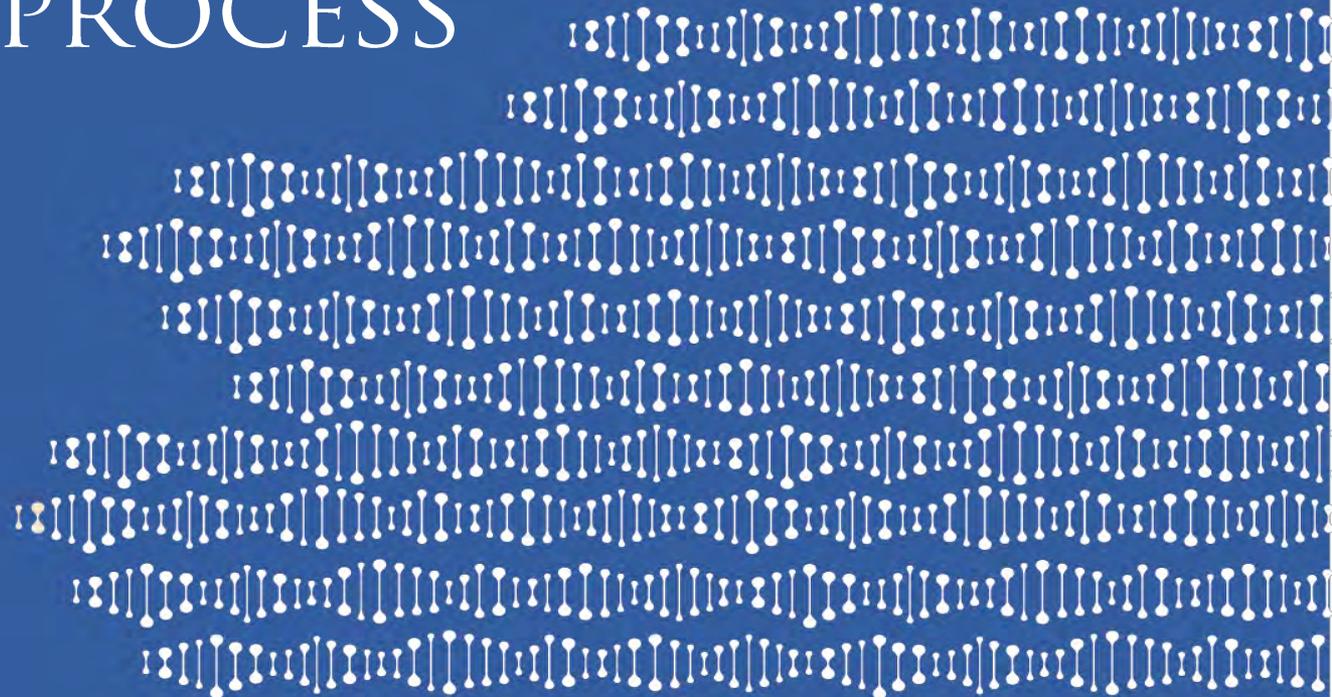




CANCER PREVENTION & RESEARCH
INSTITUTE OF TEXAS

HOW TO SUCCESSFULLY NAVIGATE THE CPRIT GRANTS PROCESS



FY2016

WELCOME & INTRODUCTIONS

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TRAINING OVERVIEW

- **Administrative Rule Changes**
- **Compliance Program Overview**
- **Required Reporting**
- **Change Requests/Grant Closeout**



SOURCES FOR GRANT REQUIREMENTS

- **Texas Health and Safety Code Chapter 102**
- **Texas Administrative Code, Title 25, Chapters 701-703**
- **CPRIT Policies and Procedures Guide**
- **Uniform Grant Management Standards**
- **Grant Contract**
- **Request for Applications**
- ***SAO and Internal Audits**



ADMINISTRATIVE RULE CHANGES

1. Indirect Costs for Prevention Grantees
2. Required Compliance Training
3. Match Verification Due Date
4. No Cost Extension Requests
5. Approval of Reports
6. Waiver of FSR Reimbursement



1. INDIRECT COSTS FOR PREVENTION GRANTEEES

- **Prevention Grantees may spend up to 5% of grant award funds on indirect costs**

Background: Research grantees are allowed to use up to 5% of grant award funds on indirect costs.

New Rule: Aligns prevention grantees with research grantees to allow prevention grantees to also spend up to 5% of grant funds on indirect costs.

Applicable Rule: § 703.12

➤ *Only prevention grants awarded for Cycle 17.1 and forward*



2. REQUIRED GRANTEE COMPLIANCE TRAINING

- **New and current grantees are required to complete annual compliance training given by CPRIT**

Background: The grantee's ASO and at least one other individual must attend the annual training.

Consequence: Disbursement of grant funds will be withheld if training is not completed unless the Chief Compliance Officer finds good cause.

Applicable Rule: § 703.22

- *First training must be completed by November 1, 2016, and November 1 each year thereafter*
- *After a finding of good cause, the Chief Compliance Officer may authorize another employee to attend training in place of ASO*
- *Effective December 9, 2015*



3. MATCH VERIFICATION DUE DATE

- **Match Verification form is due 30 days following the due date of the FSR reflecting expenses incurred during the last quarter of the grantee's fiscal year.**

Background: The match verification form is now due 30 days after the FSR due date (120 days after the quarter). Previously, the match verification form was due before the last quarter's FSR.

Consequence: Grant funds will not be disbursed until the match form is submitted and approved. To avoid this consequence, submit prior to 120 days.

Applicable Rules: § 703.13 and § 703.21

- *Example: If a Q4 FSR is due November 29th (based on a Q4 of June-August), the match certification form would then be due 30 days after November 29th, or December 29th.*
- *Effective March 9, 2016*



4. NO COST EXTENSION (NCE)

- **A grantee may request an extension in order to complete goals and objectives of the grant project.**

Background: Grantees may ask for additional time to complete work on a grant project via a NCE request. NCE duration is six months unless special circumstances justify more time.

Due Date: A NCE request submitted no earlier than 180 days and no later than 30 days before the end date.

Applicable Rule: §703.12

- *The CEO may approve a late NCE for good cause*
- *Grantee must be in good fiscal and programmatic standing in order to receive NCE approval.*



5. APPROVAL OF GRANTEE REPORTS

- **FSRs and progress reports must be approved in order for a grantee to receive disbursement of grant funds.**

Background: This rule change results from a recommendation by CPRIT's internal auditor.

Consequence: Disbursement of grant funds will not be made unless the grantee submits the above reports, which then must be approved by CPRIT.

Applicable Rule: §703.21

- *The Program Officer may approve more time for a grantee to file FSR(s) or report(s) if a contract is executed after the effective date.*
- *Program Officer approval must be in CGMS*
- *Effective March 9, 2016*



6. WAIVER OF FSR REIMBURSEMENT

- **An FSR must be submitted within the 30 day grace period or reimbursement for that period is waived.**

Background: A grantee must submit an FSR within the 30 day grace period after the FSR due date (90 days after the end of the quarter).

Consequence:

Reimbursement for that reporting period is waived, if an FSR is not submitted.

Applicable Rule: §703.21

- *Proposed Rule not yet effective: A grantee may submit an appeal of a waiver of funds. The appeal must be submitted in writing and provide good cause. If approved by the CEO, a grantee must report costs on next FSR. If not approved, grantee may appeal to the Oversight Committee .*
- *The Oversight Committee will consider a final order at their May 2016 meeting.*



ADMINISTRATIVE RULE CHANGES

Q & A



COMPLIANCE PROGRAM OVERVIEW

**The Compliance Program
ensures CPRIT's commitment to:
Our Mission, Transparency, and
Accountability**

**Two Areas of Focus:
Internal (CPRIT Monitoring)
External (Grantee Monitoring)**



COMPLIANCE PROGRAM OVERVIEW

- Grant Awards Process
- On-Boarding / Training
- Grant Monitoring
 - Annual Attestation
 - Risk Assessments
 - Desk Reviews
 - On-site Reviews
 - Ad-hoc Reviews
 - Single Audit Reviews
- Fraud, Waste, & Abuse



COMPLIANCE MONITORING

Top Compliance Monitoring Findings

- Timely Report Submission
- FSR reporting errors
- SAD Form reporting errors
- CPRIT Acknowledgment in Publications



GIFTS TO CPRIT

- CPRIT may not award a grant to an applicant who has made a gift to CPRIT on or after June 14, 2013
- Applicants must certify they have not made a gift to CPRIT at the time of submission and at the time of contract execution
- An application submitted by a grant applicant that has made a gift to CPRIT or a foundation supporting CPRIT will be withdrawn from consideration for a grant award – the donation must be returned in order for the applicant to be eligible



CPRIT ACKNOWLEDGEMENT

- Use of Logo – name and state seal
 - <http://www.cprit.state.tx.us/news/media-center/>
- Acknowledgement in all materials regarding the work associated with Institute-Funded activities
- Submit electronic version of final peer-reviewed manuscripts that arise from grant funds to PubMed Central
- Prior approval required before printing of materials that are Institute-Funded
- Grant Contract Article 9, Section 9.04



FRAUD, WASTE, & ABUSE

What is Fraud?

- Simply – fraud is a false representation about a material fact
- Any act that constitutes fraud under applicable federal or state law, including any intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to that person or some other person



FRAUD, WASTE, & ABUSE

What is Waste?

- Practices that a reasonably prudent person would deem careless or that would allow inefficient or unnecessary use of resources, items, or services

What is Abuse?

- Excessive or improper use of a resource; intentional destruction, diversion, manipulation, misapplication, or misuse of resources; extravagant or excessive use as to abuse one's position or authority



FRAUD, WASTE, & ABUSE

How can I tell if Fraud, Waste, or Abuse is occurring?

- Common 'fraud indicators':
 - No separation of duties
 - Lack of internal controls
 - High turnover of personnel
 - Unexplained entries or altered records
 - Inadequate or missing documentation
 - Unauthorized transactions



FRAUD, WASTE, & ABUSE

**How do I
make a
report?**

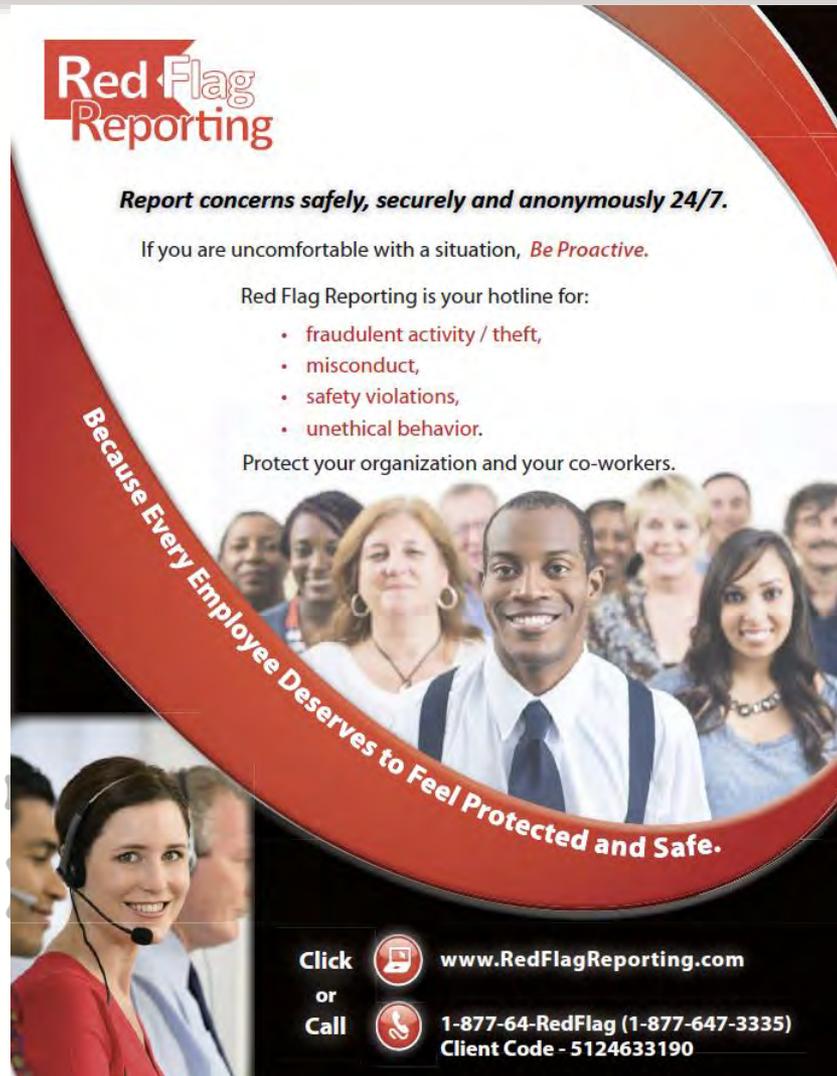
**Call
1-877-64-RedFlag
(1-877-647-3335)**

**Online
www.RedFlagReporting.com**

**Use
Client Code
5124633190**



FRAUD, WASTE, & ABUSE



Red Flag Reporting

Report concerns safely, securely and anonymously 24/7.

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

Red Flag Reporting is your hotline for:

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

Protect your organization and your co-workers.

Because Every Employee Deserves to Feel Protected and Safe.

Click  www.RedFlagReporting.com
or
Call  1-877-64-RedFlag (1-877-647-3335)
Client Code - 5124633190



COMPLIANCE PROGRAM

Q & A



REPORTING REQUIREMENTS

- **Financial Status Reports (FSRs)**
- Progress Reports
- Matching Compliance Certification (MCC)
- Inventory Report
- Revenue Sharing Form
- Historically Underutilized Businesses Report (HUB) /
Texas Suppliers Form
- Single Audit Determination (SAD)



REPORTING REQUIREMENTS

➤ *Information applicable to all reports*

Reports must be submitted on time – due dates

Consequences for late submission

Do not submit reports too early

Submit required supporting documentation

Maintain supporting documentation on-site

All reports submitted through online system



REPORTING - FSRs

- FSR are due 90 days after the end of the state fiscal quarter
- Grantees have a 30 day grace period after the FSR Due Date
- Reimbursement of project costs incurred during the reporting period will be waived if the FSR is not submitted within 30 days of the FSR due date



REPORTING - FSRs

Fiscal Quarter	Reporting Period	FSR Due Date	Last Day of Grace Period
Q1	Sept 1 – Nov 30	Feb 28	Mar 30
Q2	Dec 1 – Feb 28	May 29	June 28
Q3	Mar 1 – May 31	Aug 29	Sept 28
Q4	June 1 – Aug 31	Nov 29	Dec 29

*Q5 Reporting Overview



REPORTING - FSRs

- Report only expenses paid during the reporting period
 - Payroll is exception
- Process for reporting expenses outside of reporting period
 - CPRIT will accept invoices outside of reporting period only with management justification for late submission



REPORTING - FSRs

- Grantees can request a deferment for filing an FSR - however, the deferral request must be filed on or before the FSR Due Date
- Deferment Process Overview
 - If approved, FSR must still be submitted with zero expenses
 - Expenses should be included in the subsequent FSR



REPORTING - FSRs

Expense categories:

- Personnel
- Fringe Benefits
- Travel
- Equipment
- Supplies
- Contractual
- Other



REPORTING - FSRs

FSR Required Supporting Documentation

Top Level Documentation

- Every Financial Status Report (FSR) must include documentation to support grant costs paid during the current reporting period.
- The grantee should provide a summary report of expenses, such as a general ledger (GL), which can be produced directly from an accounting system or itemized on an Excel spreadsheet.
- The report must contain the following information: expense categories, itemized expenses, description of items, date paid, and amount paid with expense totals by category.
- Supporting documentation must be maintained on-site.



REPORTING - FSRs

FSR Required Supporting Documentation

Top Level Documentation

- If date paid information cannot be found in the summary report, it should be noted on invoices.
- A payment claimed for a period earlier than the current period should be accompanied by a letter or memo explaining the extenuating circumstance that the payment was not claimed in the appropriate period.
- In addition to the summary report of expenses, a grantee must provide documentation to support expenses reported for each category listed below.



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Personnel	<p>Provide a personnel cost report for the pay period including the names, titles, and pay for each individual whose salary is charged to the grant.</p> <p>The names and titles must match the Personnel Level of Effort Form (PLOE) in the CPRIT grants management system (CARS / CGMS).</p>



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Personnel	<p>If any non-key personnel (lab technician, graduate student, etc.) name does not appear on the PLOE form in CARS / CGMS, complete a Non-Key Personnel Level of Effort form found on the CPRIT website (Funded Awards tab, Grantee Resources page).</p> <p>Changes to key personnel (PI or PD) level of effort, must be submitted on the Personnel Level of Effort change request in CARS / CGMS and approved by CPRIT.</p>



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Personnel	For-Profit grantees must provide copies of payroll ledger information with supporting documentation such as timesheets and payroll statements.



REPORTING - FSRs

FSR Required Supporting Documentation

Expense Category

Standard Documentation

Fringe Benefits

Provide a summary of benefits paid including the types of benefits paid on behalf of the employees being paid from the grant. This summary can roll up benefit information as category totals (i.e., health insurance, FICA, SUTA, etc.), not by individual employee.

For-Profit grantees must provide benefit allocations for individual employees whose salary is charged to the grant in the personnel category above.



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Travel	<p>Provide documentation to support all travel costs, such as mileage logs, employee travel reimbursement request forms, hotel receipts, airfare receipts, public transportation receipts, meal receipts and conference/seminar registration forms.</p> <p>Grantees must exclude tips and alcohol (unallowable expenses) from any travel reimbursement charged to the grant.</p>



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Travel	<p>If a traveler claims per diem for meals, receipts are not required.</p> <p>Travel costs charged to the grant should be consistent with the State of Texas TexTravel Guide.</p> <p>https://fmx.cpa.state.tx.us/fmx/travel/textravel/index.php.</p>



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Equipment	<p>Provide a copy of the vendor invoices for all equipment costs.</p> <p>Purchase orders and packing slips alone are not acceptable forms of supporting documentation.</p> <p>Equipment is defined as any single item with a value of \$5,000 or more.</p>



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Supplies	<p>Provide a summary report with a description of the supply purchased, vendor name, date paid, and amount paid.</p> <p>For any supply purchase greater than or equal to \$750, grantees must provide a copy of the vendor invoice.</p> <p>For-Profit grantees must provide invoices to support all expenses regardless of amount.</p> <p>Interdepartmental charges must be clearly documented.</p>



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Contractual	<p>Provide subcontractor invoices for all contractual expense reported.</p> <p>Subcontractor expenses claimed against the grant must follow the same cost principles on allowable and unallowable expenses as any expense claimed by the grantee. It is the grantee's responsibility to apply these cost principles.</p> <p>In some instances, grantees may be asked to provide a copy of the subcontractor contract.</p>



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Other	Provide a summary report with a description of the item purchased, date of purchase, date paid and amount paid for any expenses that cannot be applied to any of the expense categories above.



REPORTING - FSRs

FSR Required Supporting Documentation

<u>Expense Category</u>	<u>Standard Documentation</u>
Other	<p>For all costs that are greater than or equal to \$750, grantee must provide a vendor invoice or documentation to describe the expense, when it was paid and the purpose of the purchase.</p> <p>For-Profit grantees must provide invoices to support all expenses regardless of amount.</p>



REPORTING - FSRs

FSR Required Supporting Documentation	
Top Level Documentation	Every Financial Status Report (FSR) must include documentation to support grant costs paid during the current reporting period. The grantee should provide a summary report of expenses which can be produced directly from an accounting system or itemized on an Excel spreadsheet. The report must contain the following information: expense categories, itemized expenses, description of items, date paid, and amount paid with expense totals by category. If date paid information cannot be found in the summary report, it should be noted on invoices. A payment claimed for a period earlier than the current period should be accompanied by a letter or memo explaining the extenuating circumstance that the payment was not claimed in the appropriate period. In addition to the summary report of expenses, a grantee must provide documentation to support expenses reported for each category listed below.
Expense Category	Standard Documentation
Personnel	Provide a personnel cost report for the pay period including the names, titles, and pay for each individual whose salary is charged to the grant. The names and titles must match the Personnel Level of Effort Form (PLOE) in the CPRIT grants management system (CGMS). If any non-key personnel (lab technician, graduate student, etc.) name does not appear on the PLOE form in CGMS, complete a Non-Key Personnel Level of Effort form found on the CPRIT website (Funded Awards tab, Grantee Resources page). Changes to key personnel (PI or PD) level of effort, must be submitted on the Personnel Level of Effort change request in CGMS and approved by CPRIT. Company grantees must provide copies of payroll ledger information with supporting documentation such as timesheets and payroll statements.
Fringe Benefits	Provide a summary of benefits paid including the types of benefits paid on behalf of the employees being paid from the grant. This summary can roll up benefit information as category totals (i.e., health insurance, FICA, SUTA, etc.), not by individual employee. Company grantees must provide benefit allocations for individual employees whose salary is charged to the grant in the personnel category above.
Travel	Provide documentation to support all travel costs, such as mileage logs, employee travel reimbursement request forms, hotel receipts, airfare receipts, public transportation receipts, meal receipts and conference/seminar registration forms. Grantees must exclude tips and alcohol (unallowable expenses) from any travel reimbursement charged to the grant. If a traveler claims per diem for meals, receipts are not required. Travel costs charged to the grant should be consistent with the State of Texas TexTravel Guide, https://fmv.cpa.state.tx.us/fmv/travel/txtravel/index.php .
Equipment	Provide a copy of the vendor invoices for all equipment costs. Purchase orders and packing slips alone are not acceptable forms of supporting documentation.
Supplies	Provide a summary report with a description of the supply purchased, vendor name, date paid, and amount paid. For any supply purchase greater than or equal to \$750, grantees must provide a copy of the vendor invoice. Company grantees must provide invoices to support all expenses regardless of amount.
Contractual	Provide subcontractor invoices for all contractual expense reported. Subcontractor expenses claimed against the grant must follow the same cost principles on allowable and unallowable expenses as any expense claimed by the grantee. It is the grantee's responsibility to apply these cost principles. In some instances, grantees may be asked to provide a copy of the subcontractor contract.
Other	Provide a summary report with a description of the item purchased, date of purchase, date paid and amount paid for any expenses that cannot be applied to any of the expense categories above. For all costs that are greater than or equal to \$750, a grantee must provide a vendor invoice. Company grantees must provide invoices to support all expenses regardless of amount.



PLOE & NON-KEY PLOE

Tips & Hints

- Employee positions listed in the approved budget should be listed on the Personnel Level of Effort (PLOE) in CARS / CGMS
- If you are submitting salary expenses for an employee on the financial status report, show the position name and title on the PLOE prior to submitting for payment
- Changes in Key Personnel should be reported in CARS / CGMS on the Personnel Level of Effort Form



PLOE & NON-KEY PLOE

Tips & Hints

- Non-Key PLOE form allows grantees to report personnel changes to the CPRIT grant and does not require CPRIT approval
- Non-Key PLOE form can be found on the CPRIT website, Grantee Resources Page:
<http://www.cprit.state.tx.us/funded-grants/grantee-resources/>



NON-KEY PLOE FORM

Non-Key CPRIT Grant Personnel Update Form

Grant recipients should complete this form to document the names of each non-key employee whose salary or partial salary is paid by a CPRIT grant. CPRIT uses this information to verify personnel information submitted by grant recipients for reimbursement requests, so **grant recipients should submit a new form each time non-key grant personnel changes**. This form may not be used to submit changes to key personnel, such as the Principal Investigator or Program Director. Changes to key personnel or their level of effort must be submitted on the Personnel Level of Effort form in the CPRIT Grants Management System and approved by CPRIT.

Grant ID Principal Investigator/Project Director

Employee Name 1	Role on Project (ex: graduate student, post-doctoral fellow, lab technician, etc.)	Period assigned to grant		Base Annual Salary	Level of Effort (%)
		From	To		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0%
		To	<input type="text"/>		

Reason for Update

Employee Name 2	Role on Project (ex: graduate student, post-doctoral fellow, lab technician, etc.)	Period assigned to grant		Base Annual Salary	Level of Effort (%)
		From	To		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0%
		To	<input type="text"/>		

Reason for Update

Employee Name 3	Role on Project (ex: graduate student, post-doctoral fellow, lab technician, etc.)	Period assigned to grant		Base Annual Salary	Level of Effort (%)
		From	To		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0%
		To	<input type="text"/>		

Reason for Update

If you need additional space to list other employees, please use page 2.

Signature of Authorized Signing Official Date Signed

When completed and signed, this form should be uploaded as an ad hoc document in the CPRIT Grants Management System with a document name of YYMMDD_Non-Key Personnel Update (i.e., 141021_Non-Key Personnel Update).

CPRIT 7/2015



REPORTING - FSRs

FSR Common Errors

- Unallowable expenses, such as tips
- Claiming both per diem and meals
- No itemized receipt when claiming meals
- Using wrong category
- Missing receipts/invoices
- Non-key PLOE not being updated



REPORTING - FSRs

FSR Common Errors

- General Ledger does not match FSR
- Purchase claimed outside of the quarter being reported on FSR
- No invoice for purchases of \$750 and over
- Inaccurate calculations
- Overbilling for conferences, etc. (only 2 participants allowed under CPRIT contract)



REPORTING - FSRs

Costs – Allowable vs. Unallowable

- Purchase of equipment, if not initially budgeted in the CPRIT proposal, requires prior approval.
- Cost transfers processed after 90 days are unallowable. Cost transfers are allowed to make corrections to bookkeeping errors.
- Invoices posting after the end of a financial quarter are unallowable. These costs should be reported in the following quarter's financial status report.



REPORTING - FSRs

Costs – Allowable vs. Unallowable

- Clothing purchases such as uniforms, lab coats, boots, etc. necessary to perform the project work are allowable, but they must be listed in the project budget.
- Personal insurance on a rental car is unallowable. CPRIT will cover insurance costs when insurance is purchased through the car rental agency.
- Cell phone charges paid as supplemental payroll are unallowable. Payments directly to a cell phone provider are allowable.



CHECK POINT

When are Financial Status Reports due?

- A. 30 days after the state fiscal quarter
- B. 90 days after the state fiscal quarter
- C. 60 days after the contract anniversary
- D. 120 days after the state fiscal quarter



CHECK POINT

Documentation (e.g. receipts, vendor invoices, etc.) must be provided for any single expenditure equal to or greater than:

- A. \$750**
- B. \$500**
- C. \$1,200**
- D. No minimum amount**



REPORTING - FSRs

Q & A



REPORTING REQUIREMENTS

- Financial Status Reports (FSRs)
- **Progress Reports**
- Matching Compliance Certification (MCC)
- Inventory Report
- Revenue Sharing Form
- Historically Underutilized Businesses Report (HUB) /
Texas Suppliers Form
- Single Audit Determination (SAD)



REPORTING - PROGRESS REPORTS

- **Annual** - 60 days after the anniversary of the grant contract effective date
- **Quarterly*** - 15 days after the end of the state fiscal quarter
- **Tranche/Interim** - Upon completion of milestones/per Program requirements
- **Final** - Within 90 days of grant contract termination date

***PREVENTION ONLY**



REPORTING - PROGRESS REPORTS

Tips & Hints

- No disbursement of grants funds will be made until the progress report is approved
- If errors are made or adequate information is not provided, report will be disapproved and sent back for rework
- Allow enough time for ASO approval and submission **before** deadline
- Other financial reports must be submitted annually along with the programmatic progress report



REPORTING - PROGRESS REPORTS

Annual Progress Report Requirements

- Key Accomplishments
- Summary of Goals & Objectives
- Client Stories & Quotes
- Materials Produced
- Publications
- Abstracts & Presentations
- Patents
- Economic Impact
- Supporting Documents



REPORTING - PROGRESS REPORTS

- Quarterly Progress Reports – ***PREVENTION ONLY**
 - People Reached
 - People Served
 - People Educated – Actions Taken
 - Clinical Services
 - Abnormal Screening Results
 - Precursors or Cancers Detected
 - Professionals Reached
 - Professionals Educated/Actions Taken
 - Project Narrative



REPORTING REQUIREMENTS

- Financial Status Reports (FSRs)
- Progress Reports
- **Matching Compliance Certification (MCC)**
- Inventory Report
- Revenue Sharing Form
- Historically Underutilized Businesses Report (HUB) /
Texas Suppliers Form
- Single Audit Determination (SAD)



REPORTING - MCC

❖ Matching Compliance Certification – *Helpful Hints*

- Notice of Award for State, Federal, or non-governmental entity can fulfill requirement
- Maintain a separate account for funds used to meet matching requirement
- Maintain documentation of expenditures used to meet annual matching requirement
- Institutions of Higher Education may use their Federal Indirect Cost Rate to fulfill match requirement



REPORTING - MCC

❖ MCC for Public and Private Institutions of Higher Education – use of Federal Indirect Cost Rate (FICR)

Example:

- University receives a one year grant totaling \$500,000
- Required Matching Funds = \$250,000 ($\$500,000 \times 50\%$)
- University's FICR = 54%
- Of the 50% match required, 49% ($54\% - 5\%$) is covered by FICR credit.
- FICR Credit of \$245,000 ($\$500,000 \times 49\%$) counted toward match.
- University funds needed for match = \$5,000 ($\$500,000 \times 1\%$)

- *The matching funds credit is the difference between the FICR and the 5% indirect cost rate allowed by CPRIT*
- *For any required match amount not covered by FICR credit, grantee must have funds dedicated to the project*
- *The grantee must file documentation of the FICR with CPRIT and maintain adequate documentation of funds used for match at the time of the certification*



REPORTING - MCC

❖ Matching Compliance Certification – *Helpful Hints*

- Restrict use of matching funds to activities related specifically to the grant
- The following can be used towards the match:
 - Salary of individuals assigned to the grant
 - Supplies purchased for use in research (both Academic & Product Development)
 - Equipment used to monitor research data
 - Fringe Benefits for individuals assigned to grant
 - Travel



REPORTING - MCC

❖ Matching Compliance Certification – *Helpful Hints*

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



CHECK POINT

All programs must submit a Matching Compliance Certification Form.

True or False



REPORTING REQUIREMENTS

- Financial Status Reports (FSRs)
- Progress Reports
- Matching Compliance Certification (MCC)
- **Inventory Report**
- Revenue Sharing Form
- Historically Underutilized Businesses Report (HUB) /
Texas Suppliers Form
- Single Audit Determination (SAD)



REPORTING - INVENTORY REPORT

Helpful Hints

- Completing the form is required even if you have not purchased or budgeted funds for equipment purchases
- Report equipment purchases with a unit price of \$5,000 or more
- Maintain a record of the equipment:
 - Purchase date
 - Cost
 - Location
- Title to equipment vests with the organization upon completion of the CPRIT-funded project



REPORTING REQUIREMENTS

- Financial Status Reports (FSRs)
- Progress Reports
- Matching Compliance Certification (MCC)
- Inventory Report
- **Revenue Sharing Form**
- Historically Underutilized Businesses Report (HUB) /
Texas Suppliers Form
- Single Audit Determination (SAD)



REPORTING - REVENUE SHARING

Tips & Hints

- Completing the form is required even if you have no revenue to report
- Maintain a separate account for revenue earned from grant funded activity, sales, etc.
- Keep complete and accurate revenue records
- Payments due to CPRIT shall be determined on a calendar basis and shall be paid quarterly within 30 days after the close of the calendar quarter



REPORTING - REVENUE SHARING

Payment must identify:

- grant to which payment relates
- identities and amounts funded by all Participating Funded Sources
- license agreements to which payment relates
- quantity of the sale of each commercial product or service since last payment
- the gross consideration from all such license agreements and sales
- payment amount to CPRIT



REPORTING REQUIREMENTS

- Financial Status Reports (FSRs)
- Progress Reports
- Matching Compliance Certification (MCC)
- Inventory Report
- Revenue Sharing Form
- **Historically Underutilized Businesses (HUB) Report / Texas Suppliers Form**
- Single Audit Determination (SAD)



REPORTING - HUB/TEXAS SUPPLIERS

Tips & Hints - HUBs

- Grant recipients are expected to make good faith efforts to utilize HUBs in subcontracts for construction, commodities purchases, and other services, including professional and consulting services, paid for with Grant Award funds



REPORTING - HUB/TEXAS SUPPLIERS

Tips & Hints – Texas Suppliers

- For goods and services purchased with Grant Award funds, grant recipient must make good faith efforts to purchase at least 50% from suppliers in the State of Texas
- A Grant Recipient that expends more than 40% of Grant Award funds budgeted for a Project Year on goods and services outside of the State must notify CPRIT in writing and provide an explanation of the good faith efforts undertaken to purchase from suppliers in the State



REPORTING - HUB/TEXAS SUPPLIERS

Tips & Hints

- Form must be completed even if you have been unable to purchase from Texas suppliers or HUB(s)
- Complete form in its entirety - make sure to enter a check on all checkboxes or form will be disapproved
- Link to HUB Directory
<https://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>
and vendor debarment list



REPORTING REQUIREMENTS

- Financial Status Reports (FSRs)
- Progress Reports
- Matching Compliance Certification (MCC)
- Inventory Report
- Revenue Sharing Form
- Historically Underutilized Businesses Report (HUB) /
Texas Suppliers Form
- **Single Audit Determination (SAD)**



CHECK POINT

Grantee's Fiscal Year End Date: August 31

Contract Year 1 End Date: November 30, 2016

Contract Year 2 End Date: November 30, 2017

Contract Year 3 End Date: November 30, 2018

Year 2 SAD Form –

Enter Fiscal Year End:



REPORTING - SAD

Helpful Hints

- Always enter the current fiscal year end date that falls within the grant year listed at the top right of the form (even if the grant contract will end within the next few months)

Example:

- Grantee Fiscal Year begins September 1st
- Grant Year Ending November 30, 2016
- Enter August 31, 2016 on the SAD form

- Make sure you are submitting the single audit form for the correct year
- Form completion is required even if you have not spent more than \$500,000 and/or the grant has ended



REPORTING - AUDIT REQUIREMENT

- If a grantee expends \$500,000 or more in state funds, they are required to submit a single audit, program-specific audit, or an agreed-upon procedures engagement
- Must be submitted within 30 days of receipt, but no more than 270 days after the grantee's fiscal year end



REPORTING - AUDIT REQUIREMENT

- If delinquent in filing required audit and/or corrective action plan –reimbursements and advances will be withheld and grantee is ineligible to be awarded a new or a continuation Grant Award
- Agreed Upon Procedures Guidance
<http://www.cprit.state.tx.us/funded-grants/grantee-resources/>



REPORTING - COMMON ERRORS

- Submitting accrued expenses
- Submitting invoices with dates outside the current reporting period
- Employees reported on grant payroll are not listed on the Personnel Level of Effort (PLOE) or Non-Key PLOE Update Form
- Submitting reimbursement for expenses not listed and approved in initial project budget



REPORTING - COMMON ERRORS

- Interdepartmental charges not adequately documented
- Providing purchase orders instead of vendor invoices
- Submitting incorrect travel documentation
- Incorrect dates on SAD form



REPORTING & CONSEQUENCES

Required Reports		
Report	Filer	Due Date
Quarterly Financial Status Report	All grant recipients	90 days after the end of the state fiscal quarter Tex. Admin. Code § 703.21(b)(1)
Final Financial Status Report	All grant recipients	90 days after the end of state fiscal quarter Tex. Admin. Code § 703.14(d)
Quarterly Progress Report	Prevention grant recipients	15 days after the end of the state fiscal quarter
Annual Progress Report	All grant recipients	60 days after the anniversary of the grant contract effective date Tex. Admin. Code § 703.21(b)(3)(B)
Tranche Report	Commercialization/ Product Development grant recipients	Upon completion of milestones for specific tranche Tex. Admin Code § 703.21(b)(3)(G)
Final Progress Report	All grant recipients	Within 90 days of grant contract termination date Tex. Admin. Code § 703.21(b)(3)(C)
Matching Funds Certification/ Verification Form	Research grant recipients (including Commercialization/Product Development)	Contract execution (certification), 30 days following the due date of the FSR reflecting expenses incurred during the last quarter of the grantee's project year [insert link when rule effective]
Inventory Report	All grant recipients	60 days after the anniversary of the grant contract effective date Tex. Admin. Code § 703.21(b)(3)(B)(iv)
Revenue Sharing Form	All grant recipients	60 days after the anniversary of the grant contract effective date Tex. Admin. Code § 703.21(b)(3)(B)(xi)
HUB/Buy Texas Form	All grant recipients	60 days after the anniversary of the grant contract effective date Tex. Admin. Code § 703.21(b)(3)(B)(vi)
Single Audit Determination Form	All grant recipients	60 days after the anniversary of the grant contract effective date Tex. Admin. Code § 703.21(b)(3)(B)(xii)
Audit	Recipients that expend \$500,000 or more in state awards in the recipient's fiscal year	Within 30 days of receipt, but no more than 270 days after the recipient's fiscal year end Tex. Admin. Code § 703.13(b)(3)
Close Out Documents	All grant recipients	Within 180 days of grant contract termination date Tex. Admin. Code § 703.14(d)



REPORTING & CONSEQUENCES

Consequences for Failing to File Required Reports in a Timely Manner		
<i>(Note – in addition to the consequences stated below, the failure to timely file required reports may also serve as grounds for contract termination)</i>		
Report	Due Date	Consequence
Quarterly Financial Status Report	90 days after the end of the state fiscal quarter The recipient may request to defer submission of the reimbursement request for the current fiscal quarter until the next quarter. The request must be submitted on or before the FSR due date.	Reimbursement of project costs incurred during the reporting period will be waived if the FSR is not submitted within 30 days of the FSR due date. Tex. Admin. Code § 703.21(b)(2) In order to receive disbursement of grant funds, the most recently due FSR must be approved. [insert link when rule effective]
Final Financial Status Report	90 days after the end of state fiscal quarter	Reimbursement of project costs incurred during the reporting period will be waived if the FSR is not submitted within 30 days of the FSR due date. Tex. Admin. Code § 703.14(d)(1) In order to receive disbursement of grant funds, the most recently due FSR must be approved. [insert link when rule effective]
Quarterly Progress Report	15 days after the end of the state fiscal quarter	
Annual Progress Report	60 days after the anniversary of the grant contract effective date	No disbursement of grant funds will be made until the progress report is approved. [insert link when rule effective]
Tranche Report	Upon completion of milestones for specific tranche	The next tranche of grant funds will not be disbursed until the tranche report is approved. Tex. Admin. Code § 703.21(b)(3)(H)(iii)
Final Progress Report	Within 90 days of grant contract termination date The recipient may request that CPRIT waive the final submission of close out documents for exceptional circumstances. Tex. Admin. Code § 703.14(d)(2)	The final reimbursement of grant expenditures will not be disbursed until the progress report and other close out documents are approved. Failure to submit the progress report within 180 days of the termination date will cause the recipient to be ineligible to receive new grant awards until all information has been submitted or a waiver of final submission is approved by CPRIT. Tex. Admin. Code § 703.14(d)(2)
Matching Funds Certification/ Verification Form	At the time of contract execution (certification), 30 days following the due date of the FSR reflecting expenses incurred during the last quarter of the grantee's project year	The grant contract will not be executed until the initial certification is submitted by the recipient. Grant funds for the next project year (or tranche, if applicable) will not be disbursed until the matching funds verification for the previous year and certification for the upcoming year has been approved. [insert link when rule effective]
Inventory Report	60 days after the anniversary of the grant contract effective date	Grant funds for the next project year will not be disbursed until the other annual financial reports, including the inventory report, have been submitted. Tex. Admin. Code § 703.21(b)(3)(G)
Revenue Sharing Form	60 days after the anniversary of the grant contract effective date	Grant funds for the next project year will not be disbursed until the other annual financial reports, including the revenue sharing form, have been submitted.
HUB/Buy Texas Form	60 days after the anniversary of the grant contract effective date	Grant funds for the next project year will not be disbursed until the other annual financial reports, including the HUB Report/Buy Texas form, have been submitted. Tex. Admin. Code § 703.21(b)(3)(G)
Single Audit Determination Form	60 days after the anniversary of the grant contract effective date	Grant funds for the next project year will not be disbursed until the other annual financial reports, including the single audit determination form, have been submitted. Tex. Admin. Code § 703.21(b)(3)(G)
Audit	Within 30 days of receipt, but no more than 270 days after the recipient's fiscal year end The recipient may request additional time to file the audit and corrective action plan. The request must be submitted on or before the audit due date.	Grant funds will not be disbursed until the delinquent audit and corrective action plan, if any, have been approved. The recipient is ineligible to receive a grant award during the time that the audit and corrective action plan is delinquent. Tex. Admin. Code § 703.13(c) and (d)
Close Out Documents	Within 180 days of grant contract termination date	The final reimbursement of grant expenditures will not be disbursed until the progress report and other close out documents are approved. Failure to submit the progress report and other close out documents within 180 days of the termination date will cause the recipient to be ineligible to receive new grant awards until all information has been submitted or a waiver of final submission is approved by CPRIT. Tex. Admin. Code § 703.14(d)(2)

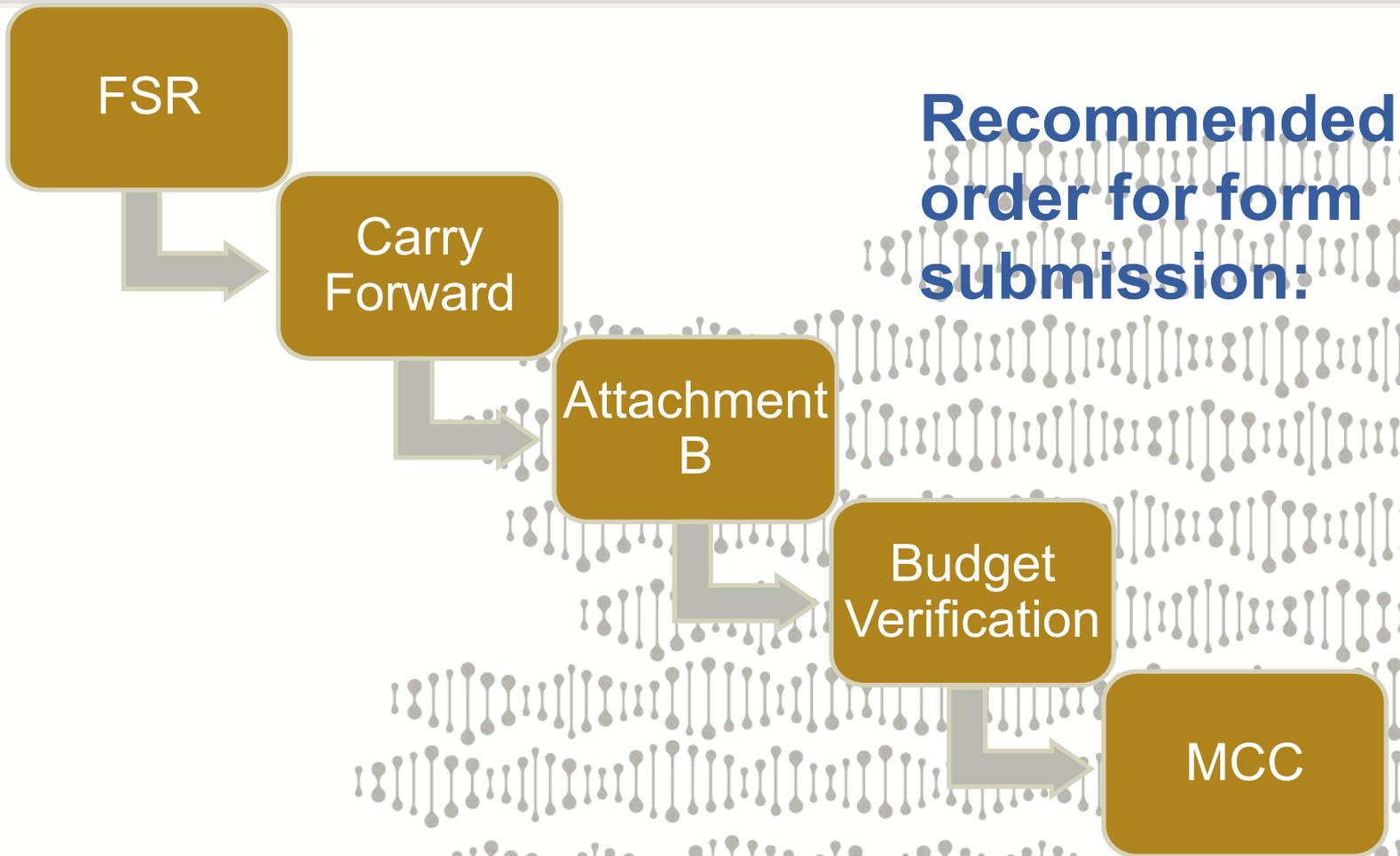


CONSEQUENCES OF NON-COMPLIANCE

- Withhold Reimbursement
- Waive Reimbursement
- Termination of the Grant
- Ineligible to receive additional grants



YEAR-END FORM SUBMISSION



REQUIRED REPORTING

Q & A



CHANGE REQUESTS

Unless otherwise noted, Change Requests:

- Require CPRIT approval
- All requests must be made via the dropdown under the Change Request Tab in CGMS



CHANGE REQUEST TYPES

Audit Extension Change Request

A grantee may need additional time to submit the required audit and corrective action plan to CPRIT.

- Grantees seeking an audit extension may do so by providing a written explanation for the delay to CPRIT and the expected time for submission.



CHANGE REQUEST TYPES

Audit Extension Change Request

- The request must be submitted on or before the due date of the audit (270 days following the end of the grantee's fiscal year.)
- The request for additional time must be submitted for each grant.
- Approval of additional time must be granted by the CEO.



CHANGE REQUEST TYPES

Change Not Otherwise Specified Change Request

- Grantees may need to notify CPRIT about a change to a grant which isn't considered a contract amendment but requires a notification in writing.
- Examples of a typical Change Not Otherwise Specified would be notifying CPRIT of international travel, adding equipment purchases, FSR Deferral Requests, clarifying budgeted items such as tuition, etc.



CHANGE REQUEST TYPES

Goal or Objective Change Request

A grantee can make changes to the goal and objectives (Attachment A of the grant contract).

- CPRIT Grant Managers are responsible for reviewing and approving/disapproving the requests in CGMS.
- If approved, the Contract Manager processes for the CEO's approval.



CHANGE REQUEST TYPES

Change of Organization with Attachment F

A grant contract organization may need to be changed if a PI/PD moves to a different entity/organization.

- An organization seeking this change should submit a change of organization request for approval.
- The change of organization is an amendment to the grant contract.
- The entity/organization must be located in Texas.



CHANGE REQUEST TYPES

PI Change Request with Attachment F

An organization may need to change a Principal Investigator (PI) associated with a grant.

- The organization seeking this type of change should submit the change request for approval via CGMS.
- The change of PI is an amendment to the grant contract.
- The PI (PD/CR) must reside in Texas.



CHANGE REQUEST TYPES

Contract Amendment Change Request with Attachment F

A grantee may need to make changes to the grant contract document, such as changing the termination date or changes to contract provisions.

- The request may be initiated by CPRIT or the grantee.
- Grantee should be in good fiscal and programmatic standing in order to receive approval of an amendment.



CHANGE REQUEST TYPES

No Cost Extension with Attachment F

A contract may be extended to allow a grantee additional time to complete work on a project via a No Cost Extension (NCE) request.

- Grantees must submit the request no earlier than 180 days and no later than 30 days prior to the termination date of the grant contract.
- Grantee must be in good fiscal and programmatic standing in order to receive NCE approval.



CHANGE REQUEST TYPES

No Cost Extension with Attachment F

- One extension for a duration of six months will be allowed unless special circumstances justify more time. If an extension of more than six months or if more than one NCE is needed, you must specify special circumstances.
- The CEO may approve a late NCE for good cause.
- If the NCE request is approved, the grant contract will be amended to reflect the new termination date.



CHANGE REQUEST TYPES

Rebudgeting

- Requests under 10% of the total budget are automatically approved.
- Requests over 10% of the total budget require CPRIT approval.



GRANT CLOSEOUT

Close-Out Documents

- Grantees must file final close-out reports within 90 days of contract termination date.
- Final close-out documents include:
 - Financial Status Report
 - Final Progress Report
 - Annual Inventory Report
 - Historically Underutilized Businesses / Texas Supplier Report
 - Single Audit Determination Form
 - Revenue Sharing Form



GRANT CLOSEOUT

Close-Out Documents

- Grant institutions are ineligible to receive new or continuation grant awards if close-out documents aren't submitted within 180 days of the termination date for any grant.
- An institution will remain ineligible until the close-out documents are submitted.
- It is possible to request that the CPRIT CEO waive submission of close out documents.



GRANT CLOSEOUT

Post Close-Out

- Certain contractual obligations extend beyond the grant contract termination date such as:
 - Single Audit or an Agreed Upon Procedures should be submitted by the due date.
 - If applicable, providing intellectual property information about product development activities and revenue sharing.
 - Maintaining grant contract records for 4 years from the termination date of the contract.
 - Even though a grant is closed, certain forms and functions such as correspondence and the ability to upload Ad Hoc documents are still accessible in CGMS.



CHECK POINT

Close-out documents must be submitted within _____ days of the grant termination date.

- A. 60
- B. 90
- C. 120
- D. 180



CHANGE REQUESTS/GRANT CLOSEOUT

Q & A



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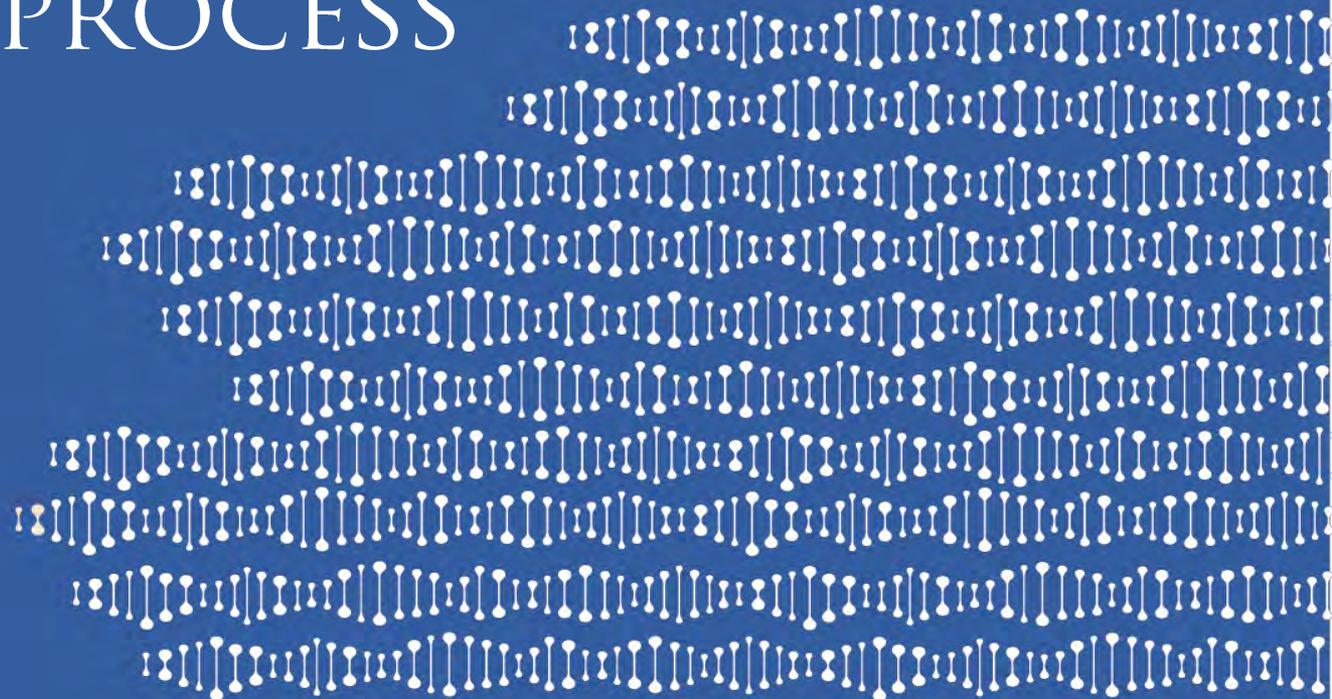
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CANCER PREVENTION & RESEARCH
INSTITUTE OF TEXAS

HOW TO SUCCESSFULLY NAVIGATE THE CPRIT GRANTS PROCESS



FY2016