



**CANCER PREVENTION AND RESEARCH INSTITUTE OF TEXAS**

**January 24, 2014  
Minutes**

**1. Meeting Called to Order**

The meeting was called to order by Chair William Rice, Friday, January 24, 2014 at 11:07 a.m., at the Capitol Extension Building, Committee Room E1.012 in Austin Texas.

**2. Roll Call /Excused Absences**

**Board Members Present:**

Chair William Rice  
Angelos Angelou  
Gerry Geistweidt  
Pete Geren  
Ned Holmes  
Cynthia Mulrow  
Craig Rosenfeld  
Amy Mitchell

Chair Rice asked for a motion to grant an excused absence to Will Montgomery, whose flight was cancelled due to inclement weather.

A motion was made by Mr. Geren and seconded by Mr. Holmes to grant an excused absence to Will Montgomery whose flight was cancelled due to inclement weather.

**MOTION CARRIED UNANIMOUSLY**

A quorum being present, the meeting was called to order by Chair Rice.

**3. Adoption of Minutes from November 22, 2013 meeting**

Chair Rice entertained a motion to approve the Minutes as circulated.

Motion made by Ms. Mitchell and seconded by Dr. Rosenfeld to approve the Minutes for the November 22, 2013 meeting as circulated.

**MOTION CARRIED UNANIMOUSLY**

Chair Rice informed the members that the committee would not take up the Product Development award slates scheduled to be discussed under agenda item #6 due to the absence of Dr. Jack Geltosky, Chair of the Product Development Review Council. Dr. Geltosky's flight was cancelled due to inclement weather. The award slate has been rescheduled for the February 19<sup>th</sup> meeting.

**4. Chief Executive Officer Report**

CEO Wayne Roberts reported on the following issues presented by the memorandum included in the Board Meeting Packet:

***Status and summary of CPRIT staff vacancy postings***

- Chief Product Development Officer posting closes January 24, 2014.
- Internal Auditor posting extended until January 24, 2014.
- Attorney posting closed January 10, 2014.
- Procurement Specialist posting will close February 28, 2014.
- Grant Specialist postings are being refined and will be posted prior to February 19th Oversight Committee meeting.
- Chief Compliance Officer was filled December 16, 2013.

***Implementation of State Auditor's Recommendations***

CPRIT has fully implemented or is in the process of fully implementing all 51 recommendations from the SAO's January 2013 management audit.

***Annual Report***

The report will be submitted by January 31, 2014 and will, for the first time, meet all statutory requirements and contain no disclaimers.

***Electronic Bulletin Board***

CEO Roberts reported that changes made by the 83rd Legislature permit members of a governing body to communicate via an electronic bulletin board that is accessible through the agency's website and viewable in real-time by the public. Mr. Geren recommended that this item be referred to the Board Governance Subcommittee for consideration.

A motion to refer the electronic bulletin board to the Board Governance Subcommittee for consideration and a recommendation was made by Mr. Geren and seconded by Ms. Mulrow.

**MOTION CARRIED UNANIMOUSLY**

***Look ahead to the February 19 Oversight Committee Meeting***

- The OC will consider research grants under the new legislation using the Program Integration Committee (PIC). The product development applications that were originally supposed to be presented today will be presented at the next meeting;
- Presentation by SRA International, Inc, CPRIT's third party application and review contractor concerning its role and processes;
- Overview of grant award contract and monitoring processes;
- Finalization of the Strategic Communications Contract; and
- Program Priority Discussion.

## **5. Chief Scientific Officer Report and Grant Award Recommendations**

### ***Chief Scientific Officer Report***

Chief Scientific Officer Margaret Kripke provided an overview of the scientific research program. Detailed information is also provided in Dr. Kripke's report included in the Board Meeting Packet. She reiterated the original goals of the scientific research program which were to support the best science possible related to cancer research and also to recruit the best researchers who are interested in cancer research to the state of Texas. She then discussed the need for a more strategic approach for deployment of CPRIT funds and suggested that program priorities focus on prevention and early detection, rare cancers, and funding of projects that moved products and devices toward commercialization. Mr. Geren asked how these suggested priorities fit with the Oversight Committee's plan to establish program priorities over the next several months. Dr. Kripke explained that she would like to release new RFAs targeted toward some of these priorities in March; this would allow the program to move forward, but in no way precluded modification of these priorities by the Oversight Committee at a later date.

Dr. Rosenfeld inquired about the multi-investigator awards. He stated that he knew the primary investigator had to be Texas residents to receive CPRIT funds. He asked if that also applied to sub investigators on the award. Dr. Kripke explained that they do not have to be in Texas; however they cannot receive funding if they are not.

Dr. Mulrow asked if there were any special provisions for minority awards. Dr. Kripke stated that there are special provisions under the training awards for underrepresented minority applicants. Dr. Kripke stated that CPRIT will investigate ways to increase the pool of underrepresented minorities coming up through the ranks.

Dr. Kripke informed members that in consultation with our Interim Product Development Officer and the Product Development Review Council, she decided to transfer the Early Translation Research Awards to the Product Development arena. She stated that this decision was based on the fact that the Product Development program has

the appropriate expertise to review these applications and that this would eliminate the need to duplicate this expertise in a research review panel. Mr. Roberts commented that this is an example of an issue that could be addressed through the prioritization process in the future.

***CEO Recommendations for Scientific Research Grant Awards***

Dr. Kripke introduced the Chief Executive Officer's Grant Award recommendations for scientific research grant awards. Dr. Kripke reported that the three recruitment awards total \$6,000,000 and are under the First-time Tenure Track Faculty Members mechanism.

David Reisman, CPRIT's Chief Compliance Officer, provided the compliance certification for the award slates. Mr. Reisman certified that the application review process that resulted in the three research awards being presented today under the First-time Tenure Track Faculty Members mechanism have followed applicable laws and agency administrative rules.

Chair Rice noted for the record that Ms. Mitchell has reported a conflict of interest with application ID #s R13132, R13011, and R12949. In accordance with CPRIT's rules, Ms. Mitchell was recused from the discussion or action on these applications.

Chair Rice explained that this award slate recommendation is subject to the law in effect at the time that the applications were submitted meaning that the process to finalize the Chief Executive Officer's recommendation follows the procedure in effect prior to the enactment of SB149. The Chief Executive Officer's funding recommendations are final unless two-thirds of the Oversight Committee members vote to disregard the recommendation.

Chair Rice called for a motion to disregard the Chief Executive Officer's recommendation for the First-Time, Tenure-Track Faculty Members Award Slate.

Hearing no motion to disregard the slate, the chair called for a motion to delegate contract negotiation authority to the Chief Executive Officer and the General Counsel and to authorize the Chief Executive Officer to sign the contracts on behalf of the Institute.

Motion made by Mr. Angelou and seconded by Dr. Mulrow.

**MOTION CARRIED UNANIMOUSLY**

**6. Product Development Officer Report and Grant Award Recommendations**

As previously explained by Chair Rice, the Product Development report was deferred to the next Oversight Committee meeting on February 19<sup>th</sup>.

Chair Rice dismissed the Committee at 12:47 p.m. for a break.

The board reconvened at 12:57 p.m. with Chair Rice calling the Committee back to order.

7. **Chief Prevention and Communications Officer Report**

Dr. Becky Garcia provided the Chief Prevention and Communications Officer report.

***Communications Report***

Chair Rice recognized Board Governance Chair Amy Mitchell to give the Board Governance subcommittee report. Ms. Mitchell reported that the subcommittee met January 7, 2014 and discussed issues related to a 2014 CPRIT conference with staff. After reviewing the staff resources required to hold a conference in 2014, it was agreed that it would not be in the best interest of the agency to convene a conference this year. The subcommittee recommended instructing CPRIT staff to solicit proposals for venues in several major Texas cities to hold a CPRIT conference in 2015 and/or 2016 so that CPRIT can assess venue interest.

Dr. Rosenberg questioned why the proposed date is late 2015 or early 2016, to which Dr. Garcia responded that it may serve the agency better to wait until after the conclusion of the 2015 legislative session.

Chair Rice asked how the agency would pay for the conference costs. Dr. Garcia advised that conference costs would be covered by registration fees. A discussion ensued regarding sponsorship, with the general consensus being that CPRIT would not pursue sponsorships at this time.

Dr. Rosenberg inquired if there was a scientific element to the conference. Dr. Garcia explained that the conference mirrors the three program tracks and includes multiple scientific presentations from experts and grantees. She commented that grantees look forward to the networking opportunities at the conference.

The Chair called for a motion to direct CPRIT staff to release a Request for Proposal to solicit venues in major Texas cities to hold a CPRIT conference in 2015 and/or 2016.

Motion made by Dr. Rosenfeld and seconded by Dr. Mulrow.

**MOTION CARRIED UNANIMOUSLY**

***Prevention Program Report***

Dr. Garcia gave a brief overview of the Prevention program. The overview is included in the Board Meeting Packet.

**8. Final Order Adopting Proposed Changes to CPRIT's Administrative Rules**

Chair Rice recognized Kristen Doyle, CPRIT's General Counsel, to address the final orders adopting changes to CPRIT's administrative rules. Ms. Doyle recommended that the Oversight Committee approve the final orders adopting new administrative rules and rule changes and approve an implementation plan.

The Chair recognized Ms. Mitchell for the Board Governance Subcommittee recommendation. Ms. Mitchell related that the Board Governance Subcommittee met on January 7, 2014 to discuss the new rules and rule changes and recommends that the OC vote to approve such.

As there was no discussion, Chair Rice called for a motion to approve the final orders adopting CPRIT's new administrative rules and rule changes and to direct staff to file the orders with the Secretary of State.

Motion made by Dr. Rosenfeld and seconded by Mr. Holmes.

**MOTION CARRIED UNANIMOUSLY**

The Chair called for a motion to approve the plan as proposed by CPRIT's General Counsel to implement CPRIT's new administrative rules and rule changes.

Motion made by Dr. Rosenfeld and seconded by Mr. Angelou.

**MOTION CARRIED UNANIMOUSLY**

**9. Appointments to Scientific Research and Prevention Programs Committees**

The Chair recognized Mr. Holmes, Chair of the Nominations Subcommittee, to discuss the Chief Executive Officer's new appointments to the Scientific Research and Prevention Programs Committees. He stated that the Nominations Subcommittee recommended approval of these appointments as presented by the CEO.

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

Motion made by Dr. Rosenfeld and seconded by Ms. Mitchell.

**MOTION CARRIED UNANIMOUSLY**

**10. Subcommittee Business**

***Subcommittee Chairs***

Chair Rice made a recommendation to remove the “interim” status from the subcommittee positions for all subcommittees except for the Diversity subcommittee, which will be addressed separately.

A motion was made by Mr. Geren and seconded by Mr. Holmes to approve removing the “interim” status from the subcommittee chair positions for all subcommittees except for the Diversity subcommittee, which will be addressed separately.

**MOTION CARRIED UNANIMOUSLY**

***Approval of Diversity Subcommittee Interim Chair***

Chair Rice reported that the Diversity Subcommittee has nominated Dr. Mulrow as interim chair. He called for a motion to approve.

Motion made by Mr. Geistweidt and seconded by Mr. Geren to approve Dr. Mulrow as the interim chair of the Diversity Subcommittee.

**MOTION CARRIED UNANIMOUSLY**

There was discussion among the Oversight Committee members regarding the vacant third position on the Diversity Subcommittee. Chair Rice announced that he will be the third member of the Diversity Subcommittee.

***Diversity Subcommittee Report***

Dr. Mulrow provided the Diversity Subcommittee report which included the following recommendations.

1. Request CPRIT staff provide aggregated information on the Historically Underutilized Business (HUB) data from CPRIT grantees and a copy of the HUB form for review. Staff also requested to incorporate the importance of the HUB procurement program in compliance training that is to be provided to grantees.
2. Task the University Advisory Committee with providing the subcommittee and the Oversight Committee information about their institutional HUB programs including purchasing statistics and efforts to increase HUB purchasing by April 18<sup>th</sup>.

3. Task the University Advisory Committee with providing demographic information about the general population of their faculty, medical students, and post-doctoral students, including information about those who are or may be focused on oncology-related prevention or treatment areas.
4. Requested the Oversight Committee include diversity issues in its priority setting process.

Mr. Geistweidt asked if it was a statutory requirement to purchase from HUB vendors. General Counsel Doyle responded that the statute requires the Oversight Committee to establish standards that ensure grant recipients purchase goods and services from HUBs. New administrative rule § 701.23 addresses this requirement.

Chair Rice called for a motion to direct the University Advisory Committee to provide the subcommittee information by April 18<sup>th</sup> regarding their institutional HUB programs, including purchasing statistics and efforts to increase HUB purchasing.

Motion made by Mr. Geistweidt and seconded by Dr. Rosenfeld.

**MOTION CARRIED UNANIMOUSLY**

Chair Rice called for a motion to direct the University Advisory Committee to provide the subcommittee information by April 18<sup>th</sup> about the demographics of the general population of their faculty, medical students, and post-doctoral students, including information about those who are or may be focused on oncology-related prevention or treatment areas.

Motion made by Mr. Angelou and seconded by Dr. Mulrow.

**MOTION CARRIED UNANIMOUSLY**

**11. Chief Operating Officer Report**

The Chair recognized Heidi McConnell to present the Chief Operating Officer's Report.

Ms. McConnell reported on the:

- Fiscal Year 2014 first quarter expenditures,
- Fiscal year 2014 first quarter performance measures,
- Issuance of \$55.2 million in commercial paper notes in November 2013,
- Fiscal year 2013 financial audit conducted by McConnell & Jones LLP,
- Fiscal Year 2014 Internal Audit Plan, and



- Contract with Grant Thornton LLP for fiscal year 2014 internal audit services.

Chair Rice recognized Mr. Angelou, Chair of the Audit Subcommittee to provide the report. Mr. Angelou reported that the Audit Subcommittee met on January 23<sup>rd</sup> to discuss the FY 2013 Internal Audit Annual Report and the FY 2014 Internal Audit Plan, as well as the contract with Grant Thornton for internal audit services. The Audit subcommittee recommended approval of the Internal Audit Annual Report and the FY 2014 internal audit plan together with a contract to Grant Thornton to provide internal audit services to implement the plan.

The Chair called for a motion to approve the FY2014 Internal Audit Plan. Motion made by Dr. Rosenfeld and seconded by Dr. Mulrow.

**MOTION CARRIED UNANIMOUSLY**

Chair Rice called for a motion to approve the FY2013 Internal Audit Annual Report. Motion made by Dr. Mulrow and seconded by Mr. Holmes.

**MOTION CARRIED UNANIMOUSLY**

Chair Rice called for a motion to approve the contract for internal audit services with Grant Thornton for \$200,000. Motion made by Dr. Rosenfeld and seconded by Dr. Mulrow.

**MOTION CARRIED UNANIMOUSLY**

Ms. McConnell advised that the agency would forward the approved contract to the State Auditor's Office for audit delegation authorization and would also seek approval of the contract from the Legislative Budget Board because it exceeds \$100,000. .

## **12. Compliance Officer Report**

The Chair recognized David Reisman to present the Chief Compliance Officer's Report.

David Reisman reported on the status of required grant recipient reports. He stated that as of January 16, there are 54 delinquencies with regard to reports not submitted to CPRIT. He stated that CPRIT staff would follow up with the grant projects and may cease reimbursement or advancement of grant proceeds if required reports are not on file for the grant project.

As there were no questions or comments, the Compliance report was accepted as presented.

### **13. Agency Planning and Operations**

Chair Rice informed members that because he would lay out the next two agenda items for Oversight Committee consideration, he would turn the gavel over to Mr. Geren as Vice Chair.

Dr. Rice presented the following items for discussion.

#### **A. CPRIT Strategic Planning**

Dr. Rice discussed the Oversight Committee's role in agency strategic planning, and referenced programs like the Baldrige Program that help organizations improve their performance. Mr. Geren asked if the Baldrige Program was the only one being considered as a strategic planning tool and whether this item should first go to the Audit Subcommittee. Dr. Rice responded that Baldrige is one example of such tools. Mr. Holmes asked if this was really a task for the Audit Subcommittee or if it should be a shared task for the CEO and OC Chair.

CEO Roberts recommended that if the OC was going to participate in an "organizational excellence" program such as Total Quality Management or the Baldrige Program that it should be blended into the state required strategic plan. He advised the members that the state strategic planning process would begin soon. Mr. Roberts advised that any additional planning processes or programs for organizational excellence should accommodate and consider the time and resource demands of the statutorily required state strategic planning and budget system. He cautioned against shifting finite staff resources from CPRIT's programmatic policy operations towards administrative endeavors such as management programs and excellence pursuits.

Vice Chair Geren asked if the intent was to postpone the Baldrige Program discussion. It was agreed by consensus to postpone.

#### **B. Dashboard Metrics**

Dr. Rice stated that the Oversight Committee should consider whether to have agency staff report on baseline measures and operational metrics. Mr. Geren asked Mr. Roberts for his thoughts on the idea. Mr. Roberts responded that the planning and reporting tools could be useful when testifying at legislative committees; however, identifying completely satisfying measures can be difficult. For instance, inputs and outputs are easier to report than outcomes.

Vice Chair Geren asked if Dr. Rice and Mr. Roberts would develop a proposal for consideration at the next Oversight Committee Meeting on Feb. 19<sup>th</sup>.

A Motion was made by Dr. Rice to ask the CEO to produce a dashboard metrics template for consideration of the Oversight Committee. Seconded by Mr. Angelou.

**MOTION CARRIED UNANIMOUSLY**

**14. Process to Set Annual Program Priorities Pursuant to Health and Safety Code 102.107**

Dr. Rice led a discussion about the process to establish the priorities in awarding cancer research and prevention grants as mandated by a change to Health & Safety Code Section 102.107.

After considerable discussion, it was decided by consensus that Dr. Rice and CEO Roberts would develop a proposal for how to proceed with the Program Priorities Project for consideration and possible action at the February 19, 2014, Oversight Committee Meeting.

**16. Future Meeting Dates and Agenda Items**

The Chair advised that the next Oversight Committee meeting would be held February 19th. At this time, issues related to CPRIT's peer review and grant monitoring processes would be addressed. Chair Rice advised that the first grant awards under the new process established by SB 149 would be presented at the February meeting.

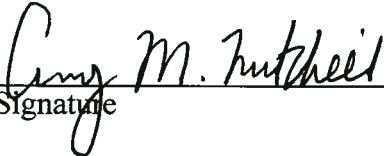
**17. Public Comment**

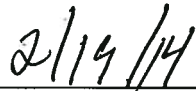
Annette Leslie, Chair of the Carson Leslie Foundation; Luke Gidden, a 14 year old childhood cancer survivor, and Elizabeth Trieu, board member of Quad W Foundation spoke on behalf of funding for childhood cancer.

**18. Adjourn**

As there was no further business, a motion to adjourn was made by Dr. Rosenfeld and seconded by Ms. Mitchell.

The meeting adjourned at 2:45 p.m.

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Date