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CANCER PREVENTION & RESEARCH  
INSTITUTE OF TEXAS

**Rule § 701.37 Grant Recipient Travel Policy**

(a) Travel costs for Grant Recipients are allowable based on the State of Texas travel policy, administered by the Texas Comptroller of Public Accounts, provided that costs are deemed by the Institute to be reasonable and necessary. The Institute will not reimburse a Grant Recipient for travel expenses in an amount that exceeds the standards in the State of Texas travel policy.

(b) Grant Recipients must provide adequate supporting documentation when requesting reimbursement for travel expenses on a Financial Status Report pursuant to §703.24.

(1) A separate travel expense report should be submitted for each trip taken.

(2) Meal costs may be charged on an actual cost basis or on a per diem, provided that one method is used uniformly on an entire trip.

(3) Lodging expenses must be supported with either a receipt or, if a receipt is unavailable, the canceled check or credit card slip used to pay the lodging expense, the credit card billing on which the lodging charges appear, or a copy of the check, slip or billing.

(4) Mileage must be supported with a detailed record of actual point-to-point mileage with odometer readings or copies of mapping website mileage. Mileage should not be rounded to the nearest decimal point.

(5) Transportation expenses must be supported with a receipt or itinerary. If neither is available then a Grant recipient should provide the canceled check or credit card slip used to pay for the transportation, the credit card billing on which the transportation charges appear, or a copy of the receipt, check, slip or billing.

(6) Rental of motor vehicles must be supported by a receipt and/or rental contract.

(7) Incidental expenses must be supported by an itemization of the expenses incurred.

(c) International travel must either be part of the Grant Recipient's approved budget in the Grant Contract, or the Grant Recipient must receive prior approval from CPRIT for the international travel if the international travel is added to the budget subsequently.

(1) International travel costs may be reimbursed according to the United States Department of State rates, if the costs are deemed by CPRIT to be reasonable and necessary.

(2) Grant Recipients should submit requests for reimbursement in United States dollar amounts. If the original cost is in a foreign currency, the Grant Recipient must convert

the cost to a dollar amount and provide documentation of the exchange rate used for the conversion.

(d) Nothing herein prohibits a Grant Recipient from having more restrictive internal travel policy requirements.

#### **RULE § 703.26 Allowable Costs**

(a) A cost is an Allowable Cost and may be charged to the Grant Award if it is reasonable, allocable, and adequately documented.

(1) A cost is reasonable if the cost does not exceed that which would be incurred by a prudent individual or organization under the circumstances prevailing at the time the decision was made to incur the cost; and is necessary for the performance of the Grant Award defined in the Scope of Work in the Grant Contract.

(2) A cost is allocable if the cost:

(A) Benefits the Grant Award either directly or indirectly, subject to Indirect Cost limits stated in the Grant Contract;

(B) Is assigned the Grant Award in accordance with the relative benefit received;

(C) Is allowed or not prohibited by state laws, administrative rules, contractual terms, or applicable regulations;

(D) Is not included as a cost or used to meet Matching Fund requirements for any other Grant Award in either the current or a prior period; and

(E) Conforms to any limitations or exclusions set forth in the applicable cost principles, administrative rules, state laws, and terms of the Grant Contract.

(3) A cost is adequately documented if the cost is supported by the organization's accounting records and documented consistent with §703.24.

(b) Grant Award funds must be used for Allowable Costs as provided by the terms of the Grant Contract, Chapter 102, Texas Health and Safety Code, the Institute's administrative rules, and the Uniform Grant Management Standards (UGMS) adopted by the Comptroller's Office. If guidance from the Uniform Grant Management Standards on a particular issue conflicts with a specific provision of the Grant Contract, Chapter 102, Texas Health and Safety Code or the Institute's administrative rules, then the Grant Contract, statute, or Institute administrative rule shall prevail.

(c) An otherwise Allowable Cost will not be eligible for reimbursement if the Grant Recipient incurred the expense outside of the Grant Contract term, unless the Grant Recipient has received

written approval from Institute's Chief Executive Officer to receive reimbursement for expenses incurred prior to the effective date of the Grant Contract.

(d) An otherwise Allowable Cost will not be eligible for reimbursement if the benefit from the cost of goods or services charged to the Grant Award is not realized within the applicable term of the Grant Award. The Grant Award should not be charged for the cost of goods or services that benefit another Grant Award or benefit a period prior to the Grant Contract effective date or after the termination of the Grant Contract.

(e) Grant Award funds shall not be used to reimburse unallowable expenses, including, but not limited to:

- (1) Bad debt, such as losses arising from uncollectible accounts and other claims and related costs.
- (2) Contributions to a contingency reserve or any similar provision for unforeseen events.
- (3) Contributions and donations made to any individual or organization.
- (4) Costs of entertainment, amusements, social activities, and incidental costs relating thereto, including tickets to shows or sports events, meals, alcoholic beverages, lodging, rentals, transportation and gratuities.
- (5) Costs relating to food and beverage items, unless the food item is related to the issue studied by the project that is the subject of the Grant Award.
- (6) Fines, penalties, or other costs resulting from violations of or failure to comply with federal, state, local or Indian tribal laws and regulations.
- (7) An honorary gift or a gratuitous payment.
- (8) Interest and other financial costs related to borrowing and the cost of financing.
- (9) Legislative expenses such as salaries and other expenses associated with lobbying the state or federal legislature or similar local governmental bodies, whether incurred for purposes of legislation or executive direction.
- (10) Liability insurance coverage.
- (11) Benefit replacement pay or legislatively-mandated pay increases for eligible general revenue-funded state employees at Grant Recipient state agencies or universities.
- (12) Professional association fees or dues for the Grant Recipient or an individual.
- (13) Promotional items and costs relating to items such as T-shirts, coffee mugs, buttons, pencils, and candy that advertise or promote the project or Grant Recipient.
- (14) Fees for visa services.

(15) Payments to a subcontractor if the subcontractor working on a Grant Award project employs an individual who is a Relative of the Principal Investigator, Program Director, Company Representative, Authorized Signing Official, or any person designated as Key Personnel for the same Grant Award project (collectively referred to as “affected Relative”), and:

(A) the Grant Recipient will be paying the subcontractor with Grant Award funds for any portion of the affected Relative’s salary; or

(B) the Relative submits payment requests on behalf of the subcontractor to the Grant Recipient for payment with Grant Award funds.

(C) For exceptional circumstances, the Institute’s Chief Executive Office may grant an exception to allow payment of Grant Award funds if the Grant Recipient notifies the Institute prior to finalizing the subcontract. The Chief Executive Officer must notify the Oversight Committee in writing of the decision to allow reimbursement for the otherwise unallowable expense.

(D) Nothing herein is intended to supersede a Grant Recipient’s internal policies, to the extent that such policies are stricter.

(f) The Institute is responsible for making the final determination regarding whether an expense shall be considered an Allowable Cost.