FOR IMMEDIATE RELEASE
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CPRIT TAKES STEPS TO CORRECT PROCEDURAL LAPSES IN GRANT AWARD

(Austin, TX) – The Cancer Prevention & Research Institute of Texas (“CPRIT”) discovered in a compliance review of all commercialization grant awards that there was no documentation of the review process for Peloton Therapeutics (“Peloton”), one of the Institute’s first commercialization awards. In response, the Institute immediately notified Peloton and placed a hold on future funding.

“CPRIT must have the trust of our fellow Texans that we are not only doing great work, but that we are also doing everything the right way,” said Bill Gimson, CPRIT executive director. “We proactively initiated this comprehensive review in an effort to be transparent and ensure good stewardship.”

CPRIT’s compliance officer learned that CPRIT’s chief commercialization officer improperly included the Peloton proposal on a commercialization award slate presented to the Institute’s Oversight Committee. The proposal did not have the required formal recommendation from the commercialization or scientific research peer review committees.

Peloton has resubmitted its proposal, which will undergo a commercialization and scientific review pursuant to CPRIT’s formal process. Like all grant reviews, the peer review committee’s recommendation to fund or not fund the proposal will determine whether the application is included on a proposed award slate presented to the Oversight Committee.

CPRIT’s investigation revealed that Peloton was unaware CPRIT processes had not been followed and had played no role in placement of the proposal on the award slate.

CPRIT’s compliance officer, in conjunction with CPRIT’s third party grant management provider, confirmed that all other commercialization awards were assigned to and reviewed by a peer review committee pursuant to CPRIT’s established policies.
"I took on this role at CPRIT to add another layer of oversight and assurances in the stewardship of taxpayer money," said Patricia Vojack, CPRIT compliance officer. "I am confident in the continuing quality improvement in CPRIT’s processes and procedures."

In addition to actions specific to Peloton, CPRIT has instituted the following procedures with regard to all of its grant awards:

1. **A policy requiring an independent third party monitor to observe all peer review meetings and document that CPRIT’s grant review policies are followed.** The independent monitor reports to CPRIT’s compliance officer.

2. **A compliance certification process for every award slate presented to the Oversight Committee for ratification.** The compliance certification will be reported by the compliance officer to the Oversight Committee prior to the vote on proposed awards. It will be based on detailed process documentation of the entire grant review process and compliance with CPRIT grant review and award policies. The first compliance certification report will be discussed as part of the research award slate that will be presented at the December 5, 2012 Oversight Committee meeting.

**About CPRIT**

Texas voters overwhelmingly approved a constitutional amendment in 2007 establishing CPRIT and authorizing the state to issue $3 billion in bonds to fund groundbreaking cancer research and prevention programs and services in Texas. CPRIT’s goal is to expedite innovation and commercialization in the area of cancer research and to enhance access to evidence-based prevention programs and services throughout the state. CPRIT accepts applications and awards grants for a wide variety of cancer-related research and for the delivery of cancer prevention programs and services by public and private entities located in Texas. More information about CPRIT is available on its website, www.cprit.state.tx.us.