

Amendments to the Grant Administration Policy

- Provisions related to Major Facilities contained in new Chapter VIII
- Provisions related to Research Grant Facilities—Chapter V revisions

What is the GAP?

The rules used in administering the grants from:

- Proposition 71 Requirements
- FWG recommendations – Chapter VIII
- CIRM recommendations – Chapter V

GAP provisions from Prop 71

- Non-profit entity located in California
- California supplier goals
- Prevailing wage requirements on construction
- 20 percent Matching Funds
- Priority for completion within 2 years

GAP Provisions from FWG

- Matching Funds to be cash in the project
- Contributions in excess of 20 % is Leverage
- Use of CIRM funded space for SC-related Research for at least 10 years
- Ceremonies and Naming

More GAP Provisions from FWG

- Penalty for being late if applicant received priority consideration
- Method and timing for making payments
- Grantee Progress Reports
- Ability to Conduct Post Audit

Leverage Calculation

Example:

Construction Cost	\$65,000,000
Fees and Admin	11,000,000
Equipment	\$14,000,000
Contingency	<u>5,000,000</u>
Total Project Cost	\$95,000,000

Example of Leverage

Total Project Funding		<u>\$95,000,000</u>
CIRM funding		\$40,000,000
Matching funds		\$8,000,000
Leverage		47,000,000
fees & adm	11,000,000	
less structure/Seis	<u>-2,000,000</u>	
Adjusted	9,000,000	
CIRM allowed:	<u>6,500,000</u>	
Adjustment		<u>2,500,000</u>
Net Leverage		\$44,500,000
LEVERAGE RATIO (Net L\$:CIRM \$)		1.11:1

What Happens to the GAP?

Once approved by the ICOC, The GAP becomes part of California Code of Regulations (CCR) through Office of Administrative Law.