



OFFICE OF THE PROVOST AND EXECUTIVE VICE PRESIDENT –
ACADEMIC AND HEALTH AFFAIRS

OFFICE OF THE PRESIDENT
1111 Franklin Street, 12th Floor
Oakland, California 94607-5200

December 11, 2007

Via FAX – 415-396-9141

Robert Klein, Chairman
Independent Citizens' Oversight Committee
210 King Street
San Francisco, CA 94107

Richard A. Murphy, Interim President
California Institute for Regenerative Medicine
210 King Street
San Francisco, CA 94107

Dear Chairman Klein and President Murphy:

I am writing with regard to your administrative decision (announced December 7, 2007) to disqualify a number of applications for New Faculty Awards submitted by institutions at which members of the Independent Citizens' Oversight Committee (ICOC) signed an institutional letter of support for candidates for these awards.

The University of California shares the commitment of the California Institute for Regenerative Medicine (CIRM) to operate according to the highest standards of integrity, and we appreciate the need to avoid even the appearance of conflicts of interest that would undermine the integrity of the review and funding process at CIRM. While we believe that no applicable conflict of interest laws or regulations were violated by the actions of those ICOC members who submitted letters of support in accordance with the instructions in CIRM's Request for Proposals, we understand the desire to err on the side of caution. We do, however, urge CIRM to do everything in its power to avoid disadvantaging the promising faculty members who have been disqualified from the current competition through no fault of their own.

Our strong recommendation is that CIRM briefly delay awarding the latest round of grants, to allow an opportunity for all applications to be resubmitted (omitting any letters from ICOC members from the application packets) and considered on equal footing. This is, we believe, the best way to avoid disadvantaging the currently disqualified applicants. We understand that CIRM is considering, instead, announcing awards at the December 12th ICOC meeting, and issuing a new Request for Proposals at some point in the near future that would allow the disqualified individuals an opportunity to reapply. While we appreciate CIRM's intent to provide a new funding opportunity, we remain concerned that faculty members at the affected institutions would be disadvantaged by

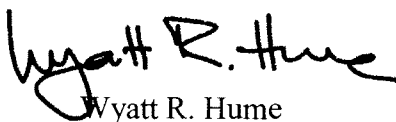
such an approach. This is particularly true if the new RFP allows even those institutions that submitted the maximum number of awards permitted under the previous competition to nominate additional candidates. Since CIRM's intention was to allow each eligible institution to put forward a fixed number of candidates, we would hope to see a mechanism that avoids circumventing that original intent. We would be very concerned about any approach that restricts the opportunity of affected institutions to put forth the same total number of candidates for New Faculty Awards that other institutions are permitted to submit.

Again, while we appreciate the need to avoid apparent conflicts and to maintain public trust, we want to stress that those members of the ICOC who signed letters of support, as requested by CIRM, did not sign such letters as private individuals, nor were they acting as members of the ICOC. Instead, the letters of support that they signed on behalf of their academic institutions expressed the formal support of these institutions for the fine young scientists and physicians nominated for these important awards. These letters, as required by CIRM, also stated the facts about the nature of the appointments held by the applicants at each institution. As you know, all ICOC members recuse themselves from any action that involves decision-making about applications from faculty at their home institutions, as is required by law.

It is my belief that the present situation has highlighted the need for CIRM to clarify its policies and processes related to recusal and conflict of interest, and to harmonize those policies with the instructions it provides to applicants. We trust that CIRM is committed to improving and strengthening its processes. But in the meantime, our request is that CIRM act immediately to make sure all applications in the current competition are considered on their merits, and on equal footing with one another. We would like to see a solution that avoids penalizing some of California's most outstanding early career scientists for circumstances beyond their control.

The University of California appreciates the enormous work CIRM is doing to advance stem cell research in California, and we are grateful for the support received by our researchers. We respectfully request that you address the current situation with the urgency it deserves.

Sincerely,



Wyatt R. Hume
Provost and Executive Vice President

cc: President Dynes
Chancellors