

Attachment C

**Contracts and Interagency Report
Governance Subcommittee
July 29, 2005**

Status of Contracts and Interagency Agreements:

The attached report provides a list of all executed contracts and interagency agreements, including expenditures through June 30, 2005.

New/Amended Interagency Agreements:

- State Controller's Office (SCO): An amendment to extend the agreement through June 30, 2005 with no additional funding is being worked on now.

The SCO provides support services in the areas of procurement, personnel, IT installation and maintenance, space management and other support services. Until 6/30/2005 it also paid for the loan of Walter Barnes. The amendment will continue the services at no additional costs through 2005-06. By the end of the year, staff to be hired in the Office of the Chief Administrative Officer are expected to be able to assume these duties.

- Attorney General: There is no written contract. The AG is authorized under state law to directly charge each state agency for the cost of legal services provided to that agency. The estimated amount for 2005-06 - \$300,000 – is based on the cost of services provided in the previous year. Hiring of a General Counsel could reduce this need.

New/Amended Third Party Contracts:

Exceeds \$100,000

- Remcho, Johansen and Purcell: This is a four month extension of the current contract. The extension is for \$200,000 and would raise the total amount in the contract to \$520,000 for one year. Currently this firm provides the services that a General Counsel can be expected to perform, including: reviewing contracts: attending ICOC, subcommittee and working group meetings; developing conflicts policies; drafting regulations; reviewing operational policies such as travel expenses and per diem; and responding requests for legal advice from CIRM staff. Once CIRM hires a General Counsel, there could be a reduction in costs. However, Remcho also provides consultation on bond, conflicts of interest and litigation matters which are expected to continue for the coming year.

- Edelman: This contract will be addressed during the Communications agenda item.

Less Than \$100,000

- Advanced HR: This vendor is conducting the salary survey that is needed to develop CIRM's compensation program. A time only (no cost) extension of three months will allow this effort to be completed. Additional funding is not needed because the work was delayed during the initial period of the contract.
- Pat Olsen: This is a new \$24,000 contract to provide records support services to the grants management process. It is a six month contract.
- Harold Goldstein: This is the contractor that will provide consultation services on the organization and assignment of responsibilities. The contract will be for \$25,000.
- IT Support: This contract will acquire services that will replace those provided by the SCO. Currently the SCO assists in the design and set up of office IT services, acquires and installs equipment and software and responds to emergencies. A competitive bid has been conducted and the contractor is in the process of being selected. The estimated cost is expected to be \$70,000 annually.
- Audit of Financial Statements: We will begin selection of a CPA firm to perform the annual audit of the financial statements for the year ending 6/30/05. The cost is estimated at \$50,000. A bid process will be used to select the contractor.
- Mosaic Services: This contractor will coordinate the scientific meeting scheduled for 10/1 – 2/05 in San Francisco. The cost will be \$45,180 (includes a 10% discount).