

BEFORE THE  
GOVERNANCE SUBCOMMITTEE  
OF THE INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE  
TO THE CALIFORNIA INSTITUTE FOR REGENERATIVE  
MEDICINE  
ORGANIZED PURSUANT TO THE  
CALIFORNIA STEM CELL RESEARCH AND CURES ACT  
REGULAR MEETING

LOCATION: AS LISTED ON AGENDA

DATE: WEDNESDAY, MAY 28, 2008  
3 P.M.

REPORTER: BETH C. DRAIN, CSR  
CSR. NO. 7152

BRS FILE NO.: 78642

## BARRISTERS' REPORTING SERVICE

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**BARRISTERS' REPORTING SERVICE**

1 TELEPHONIC GOVERNANCE SUBCOMMITTEE

2 WEDNESDAY, MAY 28, 2008

3 3 P.M.

4

5 CHAIRPERSON LANSING: I WOULD LIKE WELCOME  
6 EVERYONE TO THIS MEETING OF THE GOVERNANCE  
7 SUBCOMMITTEE OF THE ICOC. I BELIEVE WE HAVE  
8 PARTICIPANTS IN SIX LOCATIONS ON THE CALL. WE ARE  
9 HERE IN L. A. ARE WE ON THE LINE WITH UC DAVIS?

10 DR. POMEROY: YES.

11 CHAIRPERSON LANSING: NEXT IN LA JOLLA?  
12 NOT YET. KLEIN FINANCIAL IN PALO ALTO? NOT YET.  
13 CARLSBAD? CIRM IN SAN FRANCISCO?

14 MS. KING: WE'RE HERE.

15 CHAIRPERSON LANSING: I THANK YOU FOR  
16 PARTICIPATING IN THIS IMPORTANT CALL. MELISSA, WHY  
17 DON'T YOU DO THE ROLL AND --

18 MS. KING: WE GOT SOMEBODY ELSE. ONE  
19 THING I WANTED TO CHECK. BETH, ARE YOU THERE.

20 THE REPORTER: I'M HERE.

21 MS. KING: WHO JUST JOINED?

22 MR. SIMPSON: A MEMBER OF THE PUBLIC, JOHN  
23 SIMPSON AT SHERRY LANSING'S OFFICE.

24 MS. KING: OKAY. GREAT. SOUNDS LIKE  
25 WE'RE GETTING MORE AS WE SPEAK HERE. LET ME CALL

**BARRISTERS' REPORTING SERVICE**

1 THE ROLL, AND WE' LL SEE WHO IS STILL MISSING.

2 BOB KLEIN. SHERRY LANSING.

3 CHAIRPERSON LANSING: HERE.

4 MS. KING: TINA NOVA. PHIL PIZZO. CLAIRE  
5 POMEROY.

6 DR. POMEROY: HERE.

7 MS. KING: JOHN REED. DUANE ROTH.

8 UNIDENTIFIED SPEAKER: MELISSA, WE' RE ON  
9 IN SAN DIEGO. DUANE WILL JOIN IN JUST A COUPLE  
10 MINUTES.

11 MS. KING: THANKS, STEPHANIE. AND OSWALD  
12 STEWARD.

13 OKAY, SHERRY. WE DON' T YET HAVE A QUORUM  
14 AND WE ALSO DON' T YET HAVE BOB, WHO I BELIEVE HAS  
15 BEEN ASKED TO PRESENT THE FIRST ITEM.

16 CHAIRPERSON LANSING: THAT' S CORRECT. IS  
17 IT POSSIBLE TO GO TO --

18 MR. KLEIN: I' M ON THE PHONE.

19 CHAIRPERSON LANSING: WE DIDN' T HEAR YOU.  
20 OKAY. THEN WE' RE GOING TO TURN TO AGENDA ITEM 3,  
21 WHICH IS CONSIDERATION OF THE AMENDMENT TO THE  
22 CONTRACT WITH REMCHO, JOHANSEN & PURCELL. AND, BOB,  
23 I' D LIKE TO ASK YOU TO WALK US THROUGH THIS ITEM.

24 MR. KLEIN: SURE. THANK YOU VERY MUCH.

25 CHAIRPERSON LANSING: THANK YOU, BOB.

**BARRISTERS' REPORTING SERVICE**

1 MR. KLEIN: AND CONGRATULATIONS, SHERRY,  
2 ON THAT GREAT ANNOUNCEMENT YESTERDAY.

3 CHAIRPERSON LANSING: IT'S VERY EXCITING.  
4 AND WHEN WE GET A CHANCE, I'LL TALK TO A LITTLE.  
5 THIS IS A CANCER INITIATIVE THAT -- I DON'T WANT IT  
6 TO BE LIKE WE'RE HAVING SOMETHING IN SECRET, BUT THE  
7 NETWORKS HAVE GIVEN US AN HOUR COMMERCIAL FREE, A  
8 SIMULTANEOUS CAST WHERE ALL THREE NETWORKS WILL BE  
9 SHOWING A CANCER FUND-RAISER, INFORMATION,  
10 ENTERTAINING SHOW AT THE SAME TIME. SO IT'S THE  
11 FIRST TIME THEY'VE EVER DONE IT.

12 MR. KLEIN: IT'S PHENOMENAL. AND THESE  
13 INDEPENDENT EFFORTS WITH HUGE POTENTIAL FOR  
14 DIFFERENT AREAS OF DISEASE ARE CRITICALLY IMPORTANT.  
15 SO THANK YOU, SHERRY.

16 CHAIRPERSON LANSING: THANK YOU TO THE  
17 NETWORKS AND TO THE PUBLIC WHO I HOPE WILL  
18 PARTICIPATE.

19 MR. KLEIN: OKAY. SO THE HISTORY ON THIS  
20 IS THAT THE REMCHO ORIGINAL CIRCULATED BUDGET WAS  
21 FOR 300,000, BUT IT WAS REDUCED TO \$250,000  
22 INTERNALLY AND EXECUTED AT \$250,000. THE AMOUNT  
23 THAT HAS BEEN EXPENDED TO DATE, MY UNDERSTANDING, IS  
24 APPROXIMATELY \$250,000, AND IT'S EXPECTED THAT THERE  
25 ARE BILLINGS FOR APRIL, MAY, AND JUNE, WHICH WE NEED

**BARRISTERS' REPORTING SERVICE**

1 TO DEAL WITH HERE IN ENDING THIS FISCAL YEAR.

2 NOW, THE NEW INTERNAL CONTROLLER HAS  
3 SUGGESTED THAT INCREASING THE CONTRACT BY A HUNDRED  
4 FIFTY THOUSAND TO 400,000 WOULD GIVE US ROOM TO  
5 COVER THAT BILLING PERIOD. IN ORDER TO GIVE US JUST  
6 A LITTLE EXTRA CUSHION, I WOULD SUGGEST 415,000, IF  
7 THAT'S ACCEPTABLE, AS I UNDERSTOOD THAT IT WAS WITH  
8 THE PRESIDENT, ALAN TROUNSON. ALAN, IS THAT  
9 ACCEPTABLE?

10 DR. TROUNSON: THAT'S CORRECT.

11 MR. KLEIN: OKAY. SO THE PURPOSE HERE IS  
12 TO ADDRESS VERY SUBSTANTIAL SERVICES BY THE BOARD  
13 COUNSEL. AND IN THIS LAST YEAR BEYOND ORDINARY  
14 SERVICES RELATED TO THE BOARD, BOARD COUNSEL,  
15 THROUGH JAMES HARRISON, HAS BEEN INVOLVED IN WORKING  
16 WITH THE CHAIR'S OFFICE AND THE TREASURER'S OFFICE  
17 ON THE FIRST STEM CELL BONDS IN THE HISTORY OF THE  
18 STATE, ON AUTHORIZING A NEW \$250 MILLION BOND ISSUE  
19 THAT WE HAVE CLOSED AND IS SET UP FOR FUNDING  
20 THROUGH THE POOLED MONEY INVESTMENT FUND.

21 THEY HAVE BEEN INVOLVED WITH THE LOAN  
22 PROGRAM, AND THEY WERE INVOLVED MOST RECENTLY IN THE  
23 SPECIAL PROJECTS THAT RESULTED IN THE \$17 MILLION IN  
24 VOLUNTARY DISCOUNTS UNDER THE MAJOR FACILITIES  
25 PROGRAM, AS WELL AS THE MAJOR FACILITIES GRANT

## BARRISTERS' REPORTING SERVICE

1 ADMINISTRATION PROGRAM ADJUSTMENTS TO ACCOMMODATE  
2 THAT PROGRAM.

3 SO THEY'VE CREATED A HUGE VALUE FOR THE  
4 AGENCY IN THIS PERIOD, AND I WOULD RECOMMEND  
5 APPROVAL OF THIS CONTRACT AMENDMENT.

6 CHAIRPERSON LANSING: THANKS, BOB. ARE  
7 THERE ANY QUESTIONS FROM THE SUBCOMMITTEE? I WILL  
8 GO AROUND AND ASK.

9 MS. KING: SHERRY, BEFORE YOU DO THAT, LET  
10 ME JUST CHECK WHO ELSE HAS JOINED. I BELIEVE TINA  
11 AND DUANE HAVE PROBABLY JOINED BY NOW. TINA, ARE  
12 YOU THERE.

13 DR. NOVA: YES, I AM.

14 MS. KING: AND DUANE ROTH, HAVE YOU JOINED  
15 US?

16 MR. ROTH: YES, I HAVE.

17 MS. KING: GREAT. THANK YOU. GO AHEAD,  
18 SHERRY.

19 CHAIRPERSON LANSING: ANYONE IN L. A., ANY  
20 QUESTIONS? NO. IN SAN FRANCISCO? LA JOLLA?

21 MR. ROTH: NO.

22 CHAIRPERSON LANSING: CONNECT?

23 MR. ROTH: THAT'S LA JOLLA.

24 CHAIRPERSON LANSING: SORRY.

25 MR. ROTH: THAT'S ALL RIGHT.

## BARRISTERS' REPORTING SERVICE

1 CHAIRPERSON LANSING: WHO DID I LEAVE OUT,  
2 MELISSA?

3 MS. KING: CARLSBAD.

4 DR. NOVA: NO.

5 MS. KING: ALSO KLEIN FINANCIAL, WE HAVE  
6 BOB IS JOINING FROM PALO ALSO.

7 MR. KLEIN: NO, THERE'S NO ONE HERE OTHER  
8 THAN THE MEMBER.

9 MR. SIMPSON: THERE IS PUBLIC COMMENT IN  
10 L. A.

11 CHAIRPERSON LANSING: PLEASE. THERE'S NO  
12 COMMENT IN L. A. ?

13 MR. SIMPSON: THERE IS PUBLIC COMMENT IN  
14 L. A. , YES.

15 CHAIRPERSON LANSING: PLEASE. CAN YOU  
16 IDENTIFY YOURSELF, AND WE WELCOME YOUR COMMENTS.

17 MR. SIMPSON: THIS IS JOHN SIMPSON FROM  
18 CONSUMER WATCHDOG. FIRST OF ALL, IT'S NOT IN ANY  
19 WAY INTENDED TO DISPARAGE JAMES HARRISON OR HIS  
20 FIRM, BUT I DO HAVE TWO QUESTIONS. IT DOES SEEM TO  
21 ME THAT YOU ARE SORT OF RETROACTIVELY APPROVING  
22 SOMETHING THAT'S ALREADY BEEN SPENT, WHICH DOESN'T  
23 SEEM TO BE AN APPROPRIATE WAY TO BE APPROACHING  
24 THIS.

25 AND THE SECOND ISSUE THAT I HAVE IS THAT I



## BARRISTERS' REPORTING SERVICE

1 WOULD HAVE THOUGHT THAT THIS SHOULD HAVE AND HAS HAD  
2 MUCH OF THE YEAR A FULL-TIME IN-HOUSE COUNSEL, THAT  
3 I DON'T QUITE SEE WHY THERE'S SUCH EXTENSIVE USE OF  
4 EXTERNAL COUNSEL. SO I'M TROUBLED BY THIS IN A  
5 PROCEDURAL WAY. YOU'VE RUN UP THE BILL, AND NOW  
6 YOU'RE COMING IN AND SAYING LET'S AMEND THE  
7 CONTRACT. THAT'S NOT THE WAY THESE THINGS SHOULD  
8 HAPPEN.

9 AND THEN JUST THE OVERALL ISSUE OF GOING  
10 FORWARD, WHAT SORT OF NEED IS THERE FOR OUTSIDE  
11 COUNSEL WHEN YOU DO HAVE COUNSEL ON BOARD?

12 MR. KLEIN: THERE'S SOME GOOD QUESTIONS  
13 HERE, AND IT'S GOOD TO PUT IT IN THE PUBLIC RECORD.  
14 YOU SHOULD REALIZE, JOHN, ALONG WITH EVERYONE ELSE,  
15 THAT ONE OF THE OTHER RESPONSIBILITIES THAT WAS MADE  
16 FORMAL, ALTHOUGH IT PREVIOUSLY HAS BEEN A PRACTICE,  
17 IT WAS FORMALIZED IN THIS TIME PERIOD, WAS HAVING  
18 THE BOARD COUNSEL APPROVE ALL OF RFA'S BEFORE THEY  
19 WENT OUT TO AVOID BY PUTTING IN PLACE A SAFETY  
20 PROVISION, A FIREWALL, A SECOND CHECK ON CONFLICTS  
21 SO THAT WE MAKE SURE THAT IN THIS VERY COMPLICATED  
22 ENVIRONMENT WE LIVE IN WITH A TECHNICAL  
23 INTERRELATIONSHIP BETWEEN STATE LAW AND OUR  
24 REGULATIONS, THAT THERE ARE NO CONFLICTS CREATED BY  
25 MISDIRECTION THROUGH THE RFA'S.

## BARRISTERS' REPORTING SERVICE

1 AT THE TIME THAT WE HAD THE CONFLICTS ON  
2 THE YOUNG FACULTY GRANTS, I COMMITTED TO THE BOARD  
3 THAT WE WOULD HAVE A FORMAL DUAL REVIEW TO MAKE SURE  
4 THAT WE WERE MEETING THE HIGHEST POSSIBLE STANDARDS.

5 SECONDLY, JAMES HARRISON HAS WORKED WITH  
6 US OVER THE LAST FOUR YEARS AND DURING THE DRAFTING  
7 ON THE BOND SECTIONS OF THIS INITIATIVE. AND ON THE  
8 FINANCIAL SIDE, HE'S GOT A SUBSTANTIAL AMOUNT OF  
9 KNOWLEDGE ON THE BOND FINANCING PROGRAMS AND THE  
10 SPECIALIZED REQUIREMENTS OF THIS PROGRAM THAT  
11 INTERNALLY WITHIN THE AGENCY AND SPECIALIZED  
12 COUNSEL, INCLUDING THE TREASURER'S COUNSEL, WORKS AS  
13 A TEAM ON THESE FINANCING PROGRAMS.

14 ADDITIONALLY, IN TERMS OF THE TOTAL LEGAL  
15 OBLIGATIONS OF THIS AGENCY, WHICH YOU PROPERLY  
16 SCRUTINIZE VERY CLOSELY ALONG WITH MEMBERS OF THE  
17 LEGISLATURE, MEMBERS OF THE EXECUTIVE BRANCH, WE  
18 HAVE AN EXTENSIVE FIELD OF LEGAL REVIEW THAT IS DONE  
19 VERY ACUTELY. AND THERE IS TOO MUCH LEGAL WORK TO  
20 BE DONE TO HAVE IT INTERNALIZED IN THE GENERAL  
21 COUNSEL'S OFFICE.

22 BUT THE OVERSIGHT COMMITTEE HAS ITS  
23 COUNSEL AS WAS INTENDED, JUST AS THE REGENTS HAVE  
24 THEIR COUNSEL WITH THE UC SYSTEM, AND THIS COUNSEL  
25 IS INTENDED TO PROTECT AND OVERSEE THE NEEDS OF THE

## BARRISTERS' REPORTING SERVICE

1 PEOPLE OF CALIFORNIA TO MAKE SURE THAT THE  
2 INITIATIVE IS IMPLEMENTED PROPERLY WITH ACUTE  
3 OVERSIGHT.

4 AND WE HAVE ENHANCED OUR OVERSIGHT AS  
5 APPROPRIATE, BUT THE BOARD COUNSEL PLAYS AN  
6 EXTREMELY IMPORTANT ROLE IN THIS PROCESS AND IN  
7 REVIEWING AND APPROVING FOR CONSISTENCY WITH THE  
8 INITIATIVE AND STATE LAWS ALL OF THE RESOLUTIONS  
9 THAT GO TO THE BOARD.

10 MS. KING: SHERRY, THIS IS MELISSA. I  
11 DON'T KNOW IF THERE ARE OTHER COMMENTS FROM THE  
12 MEMBERS OF THE SUBCOMMITTEE --

13 CHAIRPERSON LANSING: JOHN, DO HAVE ANY  
14 RESPONSE TO THAT?

15 MR. SIMPSON: I DO HAVE ONE OTHER  
16 QUESTION, I GUESS. I MEAN THIS IS A SUBSTANTIAL  
17 LEGAL CONTRACT, AND IT'S DOWN AS PROBABLY GOING ON  
18 INTO THE FUTURE. IS THERE AN EXPECTATION THAT THIS  
19 WOULD BE PUT OUT FORMALLY FOR BID?

20 MR. KLEIN: THIS IS A CONTRACT THAT IS  
21 OBVIOUSLY WHERE THE EXPERTISE IS BUILT UPON A NUMBER  
22 OF YEARS OF RESEARCH AND DEVELOPMENT ON THIS  
23 INITIATIVE SPECIFICALLY. AND AT THE TIME WE  
24 ORIGINALLY ENTERED INTO THIS CONTRACT WITH REMCHO  
25 BACK IN 2004, I PERSONALLY WENT TO THE ATTORNEY

## BARRISTERS' REPORTING SERVICE

1 GENERAL' S OFFICE AND ASKED, GIVEN THE SPECIALIZED  
2 KNOWLEDGE OF THE REMCHO FIRM HAD IN SPENDING TWO  
3 YEARS ON THE RESEARCH AND DRAFTING OF THIS WITH ME  
4 AND FOUR OTHER ATTORNEYS THAT I HAD IN SPECIALIZED  
5 AREAS, WHETHER WE NEEDED TO PUT THIS TO BID.

6 THE ATTORNEY GENERAL' S POSITION AT THAT  
7 TIME WAS WE DID NOT BECAUSE OF THE SPECIALIZED  
8 NATURE AND DEPTH OF KNOWLEDGE OF THE FIRM. IT WOULD  
9 BE A HUGE BILL TO GET ANY OTHER FIRM TO GET UP TO  
10 THE LEVEL OF KNOWLEDGE ABOUT THIS INITIATIVE AND THE  
11 TREMENDOUS AMOUNT OF RESEARCH THAT WENT INTO ALL OF  
12 ITS DEVELOPMENT AS WELL AS ALL THE PUBLIC POLICIES  
13 THAT HAVE SUBSEQUENTLY BEEN DEVELOPED.

14 CHAIRPERSON LANSING: ALL RIGHT. ARE  
15 THERE ANY OTHER QUESTIONS AT DAVIS? LA JOLLA? PALO  
16 ALTO? CARLSBAD?

17 DR. NOVA: NO.

18 CHAIRPERSON LANSING: SAN FRANCISCO?

19 MS. KING: YES, WE HAVE ONE MEMBER OF THE  
20 PUBLIC WHO WISHES TO SPEAK.

21 MR. REED: THIS IS DON REED, CALIFORNIANS  
22 FOR CURES. I JUST HAVE TO SAY THAT THE FACE OF  
23 REMCHO IS JAMES HARRISON. AND SO MANY TIMES WHEN  
24 THERE' S SOME INCREDIBLY COMPLICATED LEGAL ARGUMENT  
25 WHICH RELIES UPON ENCYCLOPEDI C, IN-DEPTH KNOWLEDGE

**BARRISTERS' REPORTING SERVICE**

1 OF PROPOSITION 71, NO ONE KNOWS AS MUCH AS HE DOES.  
2 TO ME HE'S IRREPLACEABLE. THOSE ARE MY THOUGHTS.

3 CHAIRPERSON LANSING: THANK YOU, DON.

4 I BELIEVE THEN NEXT IS END OF THE PUBLIC  
5 COMMENT, SO I WOULD LIKE TO MOVE -- DO I HAVE TO  
6 APPROVE THE AMENDMENT?

7 MS. KING: AND ACTUALLY, SHERRY, JUST SO  
8 YOU KNOW, DR. PIZZO IS UNABLE TO JOIN US UNTIL 3:30.  
9 SO I WASN'T SURE HOW LONG THIS CONVERSATION WOULD  
10 LAST; BUT IF WE COULD AT THIS POINT MOVE ON TO THE  
11 NEXT ITEM AND CIRCLE BACK TO THIS, SO WE HAVE A  
12 QUORUM, THAT WOULD BE THE BEST PROCEDURE AT THIS  
13 POINT. THANK YOU.

14 CHAIRPERSON LANSING: THANK YOU, MELISSA.  
15 WE WILL MOVE NOW TO AGENDA ITEM 4. PLEASE DIRECT  
16 YOUR ATTENTION TO THE DOCUMENTS LABELED AGENDA ITEM  
17 4. THIS IS UPDATE ON THE CONTRACTS AND THE  
18 INTERAGENCY AGREEMENTS.

19 I WOULD NOW LIKE TO ASK CYNTHIA SCHAFFER,  
20 CIRM'S CONTRACTS ADMINISTRATOR, TO PRESENT THIS ITEM  
21 WITH OUR FINANCE OFFICER, MARGARET FERGUSON, ALSO ON  
22 THE LINE IN CASE WE HAVE ANY QUESTIONS FOR HER.  
23 CYNTHIA, WILL YOU TAKE IT OVER.

24 MS. SCHAFFER: YES. HI, I'M CYNTHIA  
25 SCHAFFER. I'M THE CONTRACTS ADMINISTRATOR. I

## BARRISTERS' REPORTING SERVICE

1 PROVIDE LEGAL SUPPORT FOR THE GENERAL COUNSEL, TAMAR  
2 PACHTER. I WAS HIRED IN MID-MARCH.

3 THE CIRM POLICY ON CONTRACTING CALLS FOR  
4 CIRM STAFF TO PREPARE QUARTERLY UPDATES ON CONTRACT  
5 ACTIVITY AND TO BE PRESENTED TO THE GOVERNANCE  
6 SUBCOMMITTEE AT THEIR MEETINGS.

7 THIS ITEM IS A SUMMARY FOR THE FIRST THREE  
8 QUARTERS OF THE FISCAL YEAR 2007-2008. THIS WAS  
9 PREPARED IN COOPERATION WITH MARGARET FERGUSON, WHO  
10 IS THE FINANCE OFFICER.

11 THE CONTRACTS THAT ARE ACTIVE FOR THE  
12 FOURTH QUARTER AND ARE EXPECTED TO BE RENEWED FOR  
13 THE FISCAL YEAR 2008-2009 ARE HIGHLIGHTED. HENCE,  
14 MOST OF THE FIRST COUPLE OF TABLES ARE HIGHLIGHTED.  
15 YOU WILL NOTE THAT THERE ARE FIVE TABLES. THE  
16 FORMAT OF THIS REPORT COMES FROM PAST PRESENTATIONS  
17 TO THE ICOC. AND HAPPY TO REWORK IT IF THERE'S A  
18 NEED TO DO SO. AND I'M OPEN TO ANY QUESTIONS YOU  
19 MIGHT HAVE.

20 CHAIRPERSON LANSING: SHOULD WE GO AROUND  
21 AND ASK THE SUBCOMMITTEE FOR QUESTIONS. LET ME GO  
22 AROUND. IN L. A. , AND NO QUESTIONS FROM THE  
23 SUBCOMMITTEE, DAVIS? LA JOLLA?

24 DR. POMEROY: NO QUESTIONS.

25 MR. ROTH: SHERRY, IT'S DUANE. I'M NOT

## BARRISTERS' REPORTING SERVICE

1 GOING TO TAKE TIME TO ASK INDIVIDUAL QUESTIONS, BUT  
2 I HAVE AN OVERALL QUESTION IN TERMS OF THE POLICY  
3 AND HOW THESE DECISIONS ARE REACHED ABOUT WHO TO  
4 HIRE AND THE HOURLY RATES AND THINGS LIKE THAT. SO  
5 PERHAPS SOMEBODY COULD ADDRESS THAT.

6 MS. PACTER: HI, DUANE. THIS IS TAMAR.  
7 IT VARIES. SOME OF THESE CONTRACTS ARE BID. SOME  
8 OF THEM ARE NOT BID DEPENDING ON THE REQUIREMENTS OF  
9 THE CONTRACTING POLICIES THAT THE ICOC APPROVED.  
10 OFTEN WHAT WE'RE DOING WITH A SMALL CONTRACT IS  
11 GOING OUT AND TRYING TO GET A SENSE OF WHAT  
12 DIFFERENT VENDORS WOULD CHARGE AND DETERMINING WHAT  
13 THEIR QUALIFICATIONS ARE AND THEN MAKING A  
14 DETERMINATION ON THAT BASIS.

15 SOMETIMES WE HAVE NO CHOICE. FOR  
16 INSTANCE, YOU WILL SEE ON THE INTERAGENCY AGREEMENT  
17 THAT WE HAVE WITH THE STATE CONTROLLER'S OFFICE, THE  
18 DEPARTMENT OF TECHNOLOGY SERVICES, THE DEPARTMENT OF  
19 JUSTICE, THEY'RE TELLING US WHAT THEIR RATES ARE,  
20 AND WE'RE USING THEM. SO THERE ARE A LOT OF  
21 DIFFERENT ANSWERS TO YOUR QUESTIONS. IF YOU WANT TO  
22 CALL ME OFF LINE, I CAN GIVE YOU MORE PARTICULAR  
23 INFORMATION.

24 MR. ROTH: NO. IT'S JUST PART OF DUE  
25 DILIGENCE. I WANTED TO UNDERSTAND HOW YOU GO ABOUT

## BARRISTERS' REPORTING SERVICE

1 MAKING SELECTIONS AND HOW YOU DETERMINE WHETHER A  
2 RATE IS REASONABLE OR NOT. SO YOU'VE ANSWERED THAT.  
3 THANK YOU.

4 MS. PACHTER: YOU'RE WELCOME.

5 CHAIRPERSON LANSING: THANK YOU BOTH.

6 MR. KLEIN: SHERRY, IF I COULD ALSO  
7 COMMENT. THIS IS BOB KLEIN.

8 CHAIRPERSON LANSING: YES.

9 MR. KLEIN: DUANE, ON THE LARGEST OF THESE  
10 INDEPENDENT CONTRACTS THAT WE HAVEN'T DISCUSSED,  
11 SPENCERSTUART WAS UNDER A SPECIFIC RFA RELATED TO  
12 THE PRESIDENTIAL SEARCH.

13 MR. ROTH: I THINK ANYTHING OVER 50,000 IS  
14 GENERALLY HANDLED THAT WAY.

15 MR. KLEIN: THAT'S CORRECT.

16 MR. ROTH: OKAY. I ASSUMED THAT. I WAS  
17 MORE CURIOUS ABOUT THE SMALLER ONES AND HOW THEY GET  
18 VETTED INTERNALLY BEFORE THEY'RE ACTUALLY GRANTED.  
19 AND I THINK SHE ANSWERED THAT QUESTION. TAMAR  
20 ANSWERED IT.

21 CHAIRPERSON LANSING: ALL RIGHT. IN  
22 CARLSBAD?

23 DR. NOVA: NO COMMENTS. THANK YOU.

24 CHAIRPERSON LANSING: SAN FRANCISCO? I  
25 WOULD LIKE TO KNOW IF THERE ARE ANY QUESTIONS FROM



**BARRISTERS' REPORTING SERVICE**

1 THE PUBLIC IN L. A.

2 MR. SIMPSON: YES. HAD A COUPLE OF  
3 QUESTIONS. ONE THING, ACCORDING TO THE MINUTES OF  
4 YOUR MEETING FROM DECEMBER OF 2006, I THINK, WHAT I  
5 SHOW IS THAT THE GOVERNANCE SUBCOMMITTEE AT THAT  
6 TIME PASSED THE POLICY THAT THESE REPORTS WOULD NOT  
7 BE QUARTERLY, BUT THEY WOULD BE PRESENTED AT EACH  
8 MEETING OF THE GOVERNANCE COMMITTEE. AND I JUST  
9 WANTED TO REMIND THAT THAT'S WHAT'S BEEN HAPPENING.

10 THE OTHER THING I WANTED TO EXPRESS  
11 CONSIDERABLE CONCERN ABOUT WAS THE FACT THAT THIS  
12 WAS ONLY AVAILABLE ON YOUR WEBSITE TODAY, AND IT  
13 DOES SEEM TO ME THAT A DOCUMENT LIKE THIS SHOULD  
14 HAVE BEEN AVAILABLE TO ALL INTERESTED PEOPLE,  
15 INCLUDING PARTICULARLY THE SUBCOMMITTEE MEMBERS,  
16 WHEN THE AGENDA WAS POSTED. I JUST DON'T QUITE  
17 UNDERSTAND THE LAPSE HERE. I MEAN THAT WAS  
18 SOMETHING THAT USED TO HAPPEN WHEN YOU WERE IN  
19 START-UP MODE, BUT THIS IS QUITE A CHANGE FROM THE  
20 WAY THINGS HAVE BEEN GOING SO WELL RECENTLY. SO I  
21 WAS VERY UPSET BY THAT.

22 THE OTHER THING THAT I WOULD ASK, JUST SO  
23 I UNDERSTAND THIS, WHERE THERE IS A CONTRACT AMOUNT,  
24 THERE ARE A NUMBER OF PLACES WHERE THERE ARE NO  
25 EXPENDITURES YET. DOES THAT SIMPLY MEAN THE BILLS

## BARRISTERS' REPORTING SERVICE

1 HAVEN'T COME IN, SO THAT THE TOTAL AMOUNT THAT YOU  
2 PERCEIVE SPENDING IS THE CONTRACT AMOUNT, OR IS IT,  
3 IN FACT, THE CASE THAT IN SOME OF THESE, IT WILL  
4 COME IN CONSIDERABLY LESS THAN A CONTRACT AMOUNT.

5 CHAIRPERSON LANSING: CAN YOU ANSWER THOSE  
6 QUESTIONS?

7 MS. FERGUSON: THIS IS MARGARET FERGUSON,  
8 AND I'LL SPEAK TO THAT AREA. IN SOME CASES IT WILL  
9 BE THAT IN THE AREA WHERE THERE ARE NO EXPENDITURES  
10 REFLECTED IS BECAUSE THERE EITHER HAS NOT BEEN A  
11 SERVICE RENDERED YET AGAINST THAT CONTRACT, OR WE  
12 HAVE NOT RECEIVED AN INVOICE TO DATE.

13 MR. SIMPSON: SO RESEARCH INTEGRITY  
14 CONSULTING, THAT YOU'VE BUDGETED FOR TEN, MEANS  
15 NOTHING'S HAPPENED THERE YET. BUT, NOW, THERE WERE  
16 SOME THAT APPEARED TO BE CLOSED WHERE IT LOOKS AS  
17 THOUGH YOU'VE SAVED SOME MONEY. FOR INSTANCE,  
18 MERKSAMER NIELSON ON TABLE 4, YOU SHOW A CONTRACT  
19 AMOUNT OF 49,200. YOU'VE ONLY HAD EXPENDITURES OF  
20 24,600, BUT THAT SUGGESTS BEING ON THAT TABLE THAT  
21 THE CONTRACT IS ALREADY CLOSED. DOES THAT MEAN YOU  
22 DON'T EXPECT ANY MORE BILLINGS ON THAT ONE AND IT'S  
23 A SAVINGS?

24 MS. FERGUSON: ON MERKSAMER?

25 MR. SIMPSON: YEAH, JUST AS AN EXAMPLE.

**BARRISTERS' REPORTING SERVICE**

1 MS. FERGUSON: OKAY. AS A EXAMPLE, ON  
2 MERKSAMER THAT DOESN' T NECESSARILY MEAN THAT WILL BE  
3 A SAVINGS BECAUSE THAT CONTRACT RUNS FROM JANUARY  
4 2007 TO DECEMBER. THESE EXPENDITURES HERE ARE FOR  
5 THE 2007-8 FISCAL YEAR. SO A PORTION OF THESE  
6 EXPENDITURES WOULD HAVE BEEN REFLECTED IN '06-'07.

7 MR. KLEIN: I THINK, MARGARET, WHAT HE' S  
8 POINTING OUT IS THAT IN THE CONTRACT PERIOD UNDER  
9 MERKSAMER, IT SAYS JANUARY 2007 TO 12/31/2007.  
10 DESCRIPTION FOR THE CONTRACT YEAR ON THAT CONTRACT,  
11 WAS THAT JULY 1ST, 2007, UNTIL JUNE 30TH, 2008?

12 MS. KING: I THINK WHAT' S HAPPENING --  
13 MARGARET, TELL ME IS THIS IS RIGHT -- THE \$24,600  
14 REPRESENTS THE EXPENDITURES ON THAT CONTRACT IN THE  
15 CURRENT FISCAL YEAR; BUT BECAUSE THE CONTRACT WAS  
16 FOR A CALENDAR YEAR, THE FIRST HALF OF THE CONTRACT  
17 WAS DEALT WITH IN THE PRIOR FISCAL YEAR.

18 MS. FERGUSON: ABSOLUTELY CORRECT.

19 MR. SIMPSON: SO BASICALLY WHAT THE  
20 SITUATION IS IS THE CONTRACT AMOUNT IS ESSENTIALLY  
21 WHAT' S GOING TO BE SPENT?

22 MS. FERGUSON: ABSOLUTELY CORRECT.

23 MR. SIMPSON: THANK YOU.

24 CHAIRPERSON LANSING: OKAY. DAVIS? LA  
25 JOLLA?

## BARRISTERS' REPORTING SERVICE

1 MR. ROTH: NO COMMENTS.

2 CHAIRPERSON LANSING: PALO ALTO?

3 MR. KLEIN: NO COMMENTS.

4 CHAIRPERSON LANSING: CARLSBAD?

5 DR. NOVA: NO COMMENTS.

6 CHAIRPERSON LANSING: SAN FRANCISCO?

7 MS. KING: NO FURTHER COMMENTS HERE. AND  
8 JUST A QUICK CHECK, ALTHOUGH I HAVEN'T HEARD A BEEP,  
9 ANY CHANCE STANFORD HAS JOINED US?

10 CHAIRPERSON LANSING: OKAY. WELL, THEN, I  
11 THINK WHAT WE NEED TO DO IS GO ON TO AGENDA 5, WHICH  
12 IS A CLOSED SESSION. AND SO I'M GOING TO ASK  
13 EVERYONE TO PLEASE HANG UP FROM THIS LINE AND DIAL  
14 IN THE CLOSED SESSION NUMBER.

15 MS. KING: SHERRY, BEFORE WE DO THAT, IF I  
16 COULD JUST ASK THE SUBCOMMITTEE FOR YOUR PATIENCE  
17 UNTIL DR. PIZZO IS ABLE TO JOIN US AT 3:30 SO THAT  
18 WE CAN DEAL WITH ITEM NO. 3, THE VOTE ON THAT,  
19 BEFORE WE GO INTO CLOSED SESSION. IT'S JUST A  
20 COUPLE MINUTES FROM NOW, 3:30. AND THE REASON FOR  
21 THAT IS BECAUSE I KNOW THAT ON THE BACK END OF THE  
22 MEETING, WE HAVE PEOPLE THAT DO NEED TO LEAVE. I'M  
23 WORRIED WE WON'T HAVE A QUORUM WHEN WE COME BACK  
24 INTO CLOSED SESSION EITHER BECAUSE OTHER PEOPLE  
25 WON'T BE AVAILABLE.

**BARRISTERS' REPORTING SERVICE**

1 CHAIRPERSON LANSING: ALL RIGHT. YOU  
2 THINK HE' LL BE HERE AT EXACTLY 3: 30?

3 MS. KING: I' M HOPING SO. IF PEOPLE WOULD  
4 PREFER, WE COULD TAKE A FIVE-MINUTE BREAK RIGHT NOW  
5 AND JUST COME BACK INTO OPEN SESSION.

6 MR. KLEIN: MELISSA, WHY DON' T YOU TRY HIM  
7 ON HIS CELL PHONE, AND WE' LL HOLD AND YOU COULD  
8 ADVISE SHERRY SO SHE CAN MAKE AN INFORMED DECISION.

9 MS. KING: I AM HAPPY TO DO THAT. I' M  
10 GOING TO DO THAT, BUT I KNOW HE' S IN A MEETING. AND  
11 AS SOON AS HE' S OUT OF THE MEETING, HE' S GOING TO  
12 DIAL IN. I' M NOT SURE HE' S GOING TO PICK UP HIS  
13 CELL PHONE, BUT I WILL GO TRY.

14 MR. SIMPSON: MAY I ASK A RELATED QUESTION  
15 ON THE CONTRACTS WHILE WE' RE WAITING? THIS IS JOHN  
16 SIMPSON AGAIN.

17 CHAIRPERSON LANSING: SURE.

18 MR. SIMPSON: BACK AGAIN, I THINK IT WAS  
19 IN THE DECEMBER GOVERNANCE MEETING, CHAIRMAN KLEIN  
20 MADE REFERENCE TO AN IMPACT -- AN ECONOMIC IMPACT  
21 STUDY THAT WAS UNDERWAY AND PREDICTED THAT, I THINK,  
22 IT WOULD BE AVAIL ABLE SOMETIME IN JANUARY. I THINK  
23 THAT' S THE ONE THAT' S BEING DONE BY THE ANALYSIS  
24 GROUP. AND TO THE BEST OF MY KNOWLEDGE, THAT HAS  
25 NOT COME OUT YET PUBLICLY. IS THERE ANY ESTIMATE AS

**BARRISTERS' REPORTING SERVICE**

1 TO WHEN?

2 MR. KLEIN: THE GOOD QUESTION, JOHN. IT  
3 WAS CLEAR THAT SINCE WE WERE ABOUT TO APPROVE MAJOR  
4 FACILITIES, THAT I ASKED THEM IF, IN FACT, THEY  
5 COULD TAKE A LOOK AT MAJOR FACILITIES SINCE THAT  
6 WOULD SUBSTANTIALLY CHANGE THE AMOUNT OF ACTIVITY  
7 DURING THIS FISCAL YEAR.

8 MR. SIMPSON: THAT MAKES A LOT OF SENSE.

9 MR. KLEIN: OKAY. SO THEY ARE TRYING NOW  
10 TO TAKE THAT INFORMATION AND INCORPORATE THAT SO  
11 THAT WE HAVE A VIEW OF THE ENTIRE FISCAL YEAR.

12 MR. SIMPSON: AND SO THAT WOULD BE  
13 ANTICIPATED THAT IT MIGHT BE AVAILABLE BY?

14 MR. KLEIN: IN THE NEXT TWO TO THREE  
15 WEEKS.

16 MR. SIMPSON: THANK YOU.

17 CHAIRPERSON LANSING: MELISSA, DO YOU HAVE  
18 ANY WORD?

19 MS. KING: YES. JENNA WAS ACTUALLY  
20 CALLING DR. PIZZO'S OFFICE WHILE BOB WAS ASKING ME  
21 TO DO SO, AND THE REPORT THAT HE'S JUST ABOUT TO GET  
22 OUT OF HIS MEETING AND WILL JOIN US AS SOON AS HE  
23 CAN.

24 CHAIRPERSON LANSING: WELL, THAT COULD BE  
25 AWHILE.

**BARRISTERS' REPORTING SERVICE**

1 MR. KLEIN: I THINK THAT -- WELL, I KNOW  
2 THAT HE'S AWARE OF THE FACT THAT WE'RE --

3 MS. KING: CORRECT. HE AWARE THAT HE IS  
4 THE QUORUM AT 3:30. HE CHANGED HIS SCHEDULE IN  
5 ORDER TO BE ABLE TO JOIN AT THAT TIME.

6 CHAIRPERSON LANSING: WHY DON'T WE TAKE --

7 MS. KING: I THINK IT WOULD BE A GOOD IDEA  
8 JUST TO TAKE A BRIEF BREAK.

9 CHAIRPERSON LANSING: LET'S TAKE A  
10 FIVE-MINUTE BREAK. I'M GOING TO STAY ON THE LINE.

11 MS. KING: WE WILL ALL STAY ON THE LINE  
12 AND JUST MUTE OUR PHONES.

13 CHAIRPERSON LANSING: TAKE A FIVE-MINUTE  
14 BREAK.

15 MS. KING: THANK YOU.

16 (A RECESS WAS TAKEN.)

17 CHAIRPERSON LANSING: I'D LIKE A MOTION,  
18 PLEASE.

19 MR. KLEIN: I'D LIKE TO MAKE A MOTION TO  
20 APPROVE THE AMENDMENT TO BRING THE REMCHO CONTRACT  
21 UP A 165,000 TO 415,000.

22 CHAIRPERSON LANSING: DO I HAVE A SECOND?

23 DR. PIZZO: I'LL SECOND IT.

24 CHAIRPERSON LANSING: CAN I DO A ROLL CALL  
25 VOTE WAITING FOR HER?

**BARRISTERS' REPORTING SERVICE**

1 MR. HARRISON: YES, YOU CAN.

2 MS. KING: I CAN TAKE THE ROLL VOTE. ARE  
3 YOU READY FOR ME.

4 CHAIRPERSON LANSING: YES.

5 MS. KING: BOB KLEIN.

6 MR. KLEIN: YES.

7 MS. KING: SHERRY LANCE.

8 CHAIRPERSON LANSING: YES.

9 MS. KING: TINA NOVA.

10 DR. NOVA: YES.

11 MS. KING: PHIL PIZZO.

12 DR. PIZZO: YES.

13 MS. KING: DUANE ROTH.

14 MR. ROTH: YES.

15 MS. KING: SO, SHERRY, IF WE GET A YES  
16 VOTE FROM CLAIRE -- SHE JUST NEEDS TO VOTE. SHE CAN  
17 EVEN ABSTAIN OR VOTE NO AND IT WILL CARRY.

18 MR. KLEIN: LET ME ASK THIS QUESTION,  
19 JAMES HARRISON. CAN WE, IN FACT, GO INTO CLOSED  
20 SESSION, LEAVE THIS ITEM OPEN AS A VOTE; AND IF SHE  
21 IS ABLE TO RETURN BY THE TIME WE COME OUT OF CLOSED  
22 SESSION, SHE COULD THEN LODGE HER VOTE?

23 MR. HARRISON: WELL, THAT'S AN INTERESTING  
24 QUESTION. I THINK THAT THE REST OF THE COMMITTEE  
25 HAS TAKEN A VOTE. IF IT'S LEFT OPEN JUST TO RECORD



## BARRISTERS' REPORTING SERVICE

1 HER VOTE, I THINK THAT'S PROBABLY ACCEPTABLE.

2 MS. KING: THE ONLY CONCERN I HAVE WITH  
3 THAT IS THAT CLAIRE IS ONE OF THE PEOPLE THAT NEEDS  
4 TO LEAVE AT 4:30.

5 CHAIRPERSON LANSING: WELL, THEN, WHOEVER  
6 IS TALKING TO CLAIRE, CAN THEY PLEASE GO IN AND SAY  
7 BEFORE SHE LEAVES -- WE HAVE TO GO BACK INTO OPEN  
8 SESSION.

9 MR. KLEIN: SO THE KEY, MELISSA, IS TO  
10 INDICATE TO CLAIRE THAT WE'RE GOING TO GO INTO  
11 CLOSED SESSION TO ACCOMMODATE HER. AND THAT BEFORE  
12 SHE LEAVES AT 4:30, THAT SHE NEEDS TO GIVE US AT  
13 LEAST FIVE MINUTES SO THAT WE CAN RECONVENE IN OPEN  
14 SESSION AND LODGE HER VOTE.

15 MS. KING: I ABSOLUTELY UNDERSTAND THAT.  
16 THE ONLY THING IS THAT I'M NOT SURE HOW TO PREDICT  
17 HOW LONG THE CLOSED SESSION WILL TAKE.

18 MR. KLEIN: WE CAN ADJOURN THE CLOSED  
19 SESSION. LET ME ASK THE QUESTION. MR. HARRISON,  
20 CAN WE ADJOURN -- IF WE'RE NOT FINISHED WITH THE  
21 CLOSED SESSION, CAN WE ADJOURN THE CLOSED SESSION,  
22 GO INTO OPEN SESSION, AND THEN GO BACK INTO CLOSED  
23 SESSION?

24 MR. HARRISON: YES, YOU MAY.

25 CHAIRPERSON LANSING: ALL RIGHT. LET'S DO

**BARRISTERS' REPORTING SERVICE**

1 THAT. MY RECOMMENDATION IS WE GO INTO THE CLOSED  
2 SESSION NOW. THE MINUTE THAT SHE COMES OUT YOU, LET  
3 US KNOW AND THEN WE'LL ADJOURN AND GO BACK IN.

4 MR. KLEIN: IN CASE SHE'S ON HER WAY BACK,  
5 MELISSA, JUST TRY AND REACH ON CELL PHONE HER OFFICE  
6 SO THAT YOU CAN INDICATE TO THEM, SO SHE DOESN'T TRY  
7 AND BREAK RIGHT NOW FOR ONE MINUTE.

8 ANNIE: THIS IS ANNIE FOR CLAIRE. SHE  
9 ABSOLUTELY CANNOT GET OFF THAT LINE RIGHT NOW. IS  
10 THERE A WAY WE CAN WORK AROUND THIS.

11 MS. KING: ANNIE, THAT'S ACTUALLY PERFECT.  
12 HERE'S WHAT WE'RE GOING TO DO, ANNIE. WE'RE GOING  
13 TO GO INTO OUR CLOSED SESSION RIGHT NOW. AND THEN  
14 AS SOON AS CLAIRE IS AVAILABLE, WE'RE GOING TO COME  
15 BACK INTO THE OPEN SESSION BECAUSE AS FAR AS I  
16 UNDERSTAND, SHE NEEDS TO LEAVE BY 4:30; IS THAT  
17 CORRECT?

18 ANNIE: YES, THAT IS CORRECT.

19 CHAIRPERSON LANSING: SHE CAN'T LEAVE  
20 UNTIL SHE LETS US KNOW, AND THEN WE WILL COME OUT OF  
21 CLOSED SESSION FOR HER VOTE.

22 ANNIE: SO, MELISSA, DO YOU JUST WANT TO  
23 CALL ME ON MY DESK LINE THEN WHEN YOU GUYS ARE  
24 FINISHED WITH THE CLOSED SESSION?

25 CHAIRPERSON LANSING: WHEN SHE'S READY,

**BARRISTERS' REPORTING SERVICE**

1 WE' RE GOING TO COME OUT.

2 MS. KING: BECAUSE WE DON' T KNOW HOW LONG  
3 THE CLOSED SESSION WILL TAKE. SO AS SOON AS DR.  
4 POMEROY IS READY, WE NEED TO COME BACK INTO OPEN  
5 SESSION.

6 ANNIE: MELISSA, WHAT' S YOU CELL PHONE  
7 NUMBER. THAT WAY I CAN CALL YOU.

8 MS. KING: EVERYBODY ELSE CAN HANG UP AND  
9 WE' LL DIAL INTO THE CLOSED SESSION.

10 (THE COMMITTEE THEN WENT INTO CLOSED  
11 SESSION, NOT REPORTED, NOR HEREIN TRANSCRIBED. THE  
12 FOLLOWING WAS THEN HEARD IN OPEN SESSION:)

13 MS. KING: BOB KLEIN.

14 MR. KLEIN: HERE.

15 MS. KING: SHERRY LANSING.

16 CHAIRPERSON LANSING: HERE.

17 MS. KING: PHIL PIZZO.

18 DR. PIZZO: HERE.

19 MS. KING: CLAIRE POMEROY.

20 DR. POMEROY: HERE.

21 MS. KING: DUANE ROTH.

22 MR. ROTH: HERE.

23 MS. KING: SO WE DO HAVE A QUORUM OF  
24 MEMBERS.

25 CHAIRPERSON LANSING: WOULD YOU SET THE

**BARRISTERS' REPORTING SERVICE**

1 VOTE FOR CLAIRE SO WE CAN GET HER VOTE.

2 MS. KING: ALL WE NEED IS FOR DR. POMEROY  
3 TO VOTE. WHAT I WOULD LIKE TO ASK IS, JAMES  
4 HARRISON, ARE ON THE LINE?

5 MR. HARRISON: I AM.

6 MS. KING: COULD YOU PLEASE REPEAT THE  
7 MOTION FOR DR. POMEROY? AND THEN, DR. POMEROY, WE  
8 JUST NEED YOU TO VOTE AND THEN YOU CAN GO.

9 DR. POMEROY: THANK YOU. I'M SORRY.

10 MR. HARRISON: DR. POMEROY, THE MOTION IS  
11 TO APPROVE A CONTRACT EXTENSION WITH REMCHO,  
12 JOHANSEN & PURCELL TO TAKE THE CONTRACT AMOUNT FROM  
13 250,000 TO 415,000 FOR AN INCREASE OF \$165,000.

14 DR. POMEROY: YES.

15 MS. KING: EXCELLENT. THANK YOU. THAT  
16 MOTION CARRIES FOR THE RECORD. BETH, ARE YOU THERE?

17 THE REPORTER: I AM.

18 MS. KING: EXCELLENT. SO AT THIS POINT --

19 CHAIRPERSON LANSING: LET'S GO BACK INTO  
20 CLOSED SESSION. I ACTUALLY HAVE TO LEAVE IN 15  
21 MINUTES, AND YOU ARE GOING TO TAKE OVER AFTER ME.  
22 SO LET'S GO BACK INTO CLOSED.

23 MS. KING: OKAY. WE'RE GOING BACK INTO  
24 CLOSED SESSION NOW.

25 (THE COMMITTEE THEN WENT BACK INTO

**BARRISTERS' REPORTING SERVICE**

1 CLOSED SESSION, NOT REPORTED NOR HEREIN TRANSCRIBED.  
2 THE MEETING WAS THEN RECONVENED IN OPEN SESSION AND  
3 WAS HEARD AS FOLLOWS:)

4 DR. NOVA: OKAY. SO WE'RE BACK IN OPEN  
5 SESSION. THIS IS TINA NOVA TAKING OVER FOR SHERRY  
6 LANSING, WHO HAD TO LEAVE THE MEETING. AND FIRST,  
7 WE HAVE NO ACTION TO REPORT OUT OF THE CLOSED  
8 SESSION AT THIS TIME.

9 BUT I WOULD LIKE TO ASK IF THERE'S ANY  
10 FURTHER COMMENT FROM SUBCOMMITTEE MEMBERS AT ANY OF  
11 THE OUR LOCATIONS? OKAY. IF THERE'S NO COMMENTS  
12 FROM SUBCOMMITTEE MEMBERS, ARE THERE ANY FURTHER  
13 COMMENTS FROM THE -- ARE THERE ANY COMMENTS FROM THE  
14 PUBLIC AT ANY OF THE LOCATIONS? ALL RIGHT. GREAT.  
15 WELL, IF THERE ARE NO COMMENTS FROM EITHER, THE  
16 MEETING STANDS ADJOURNED. AND WE THANK YOU ALL VERY  
17 MUCH FOR JOINING US TODAY.

18 (THE MEETING WAS THEN ADJOURNED AT  
19 04:53 P.M.)

20  
21  
22  
23  
24  
25

**BARRISTERS' REPORTING SERVICE**


REPORTER' S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE TELEPHONIC PROCEEDINGS BEFORE THE GOVERNANCE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN' S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD AT THE LOCATION INDICATED BELOW

AS LISTED ON AGENDA

ON  
WEDNESDAY, MAY 28, 2008

WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.



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