

BEFORE 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: UCLA GRAND HORIZON ROOM  
3D FLOOR, COVEL COMMONS  
330 DE NEVE DRIVE  
LOS ANGELES, CALIFORNIA

DATE: TUESDAY, JUNE 5, 2007  
9:30 A.M.

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

BRS FILE NO.: 77887

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	APPROVAL OF MINUTES:	
	DECEMBER 7, 2006	
	FEBRUARY 15-16, 2007	
	MARCH 15-16, 2007	
	APRIL 10, 2007	
	CONSIDERATION OF REGULATION	
	SECTION 10085: USE OF FETAL TISSUE	
	CONTINUATION OF CONSIDERATION OF	70
	RECOMMENDATIONS FROM GRANTS WORKING GROUP	
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1 LOS ANGELES, CALIFORNIA; TUESDAY, JUNE 5, 2007

2 09:52 AM

3

4 CHAIRMAN KLEIN: THANK YOU. WE ARE IN  
5 SESSION. I'D LIKE TO BEGIN TODAY BY, FIRST OF ALL,  
6 THANKING UCLA FOR THEIR TREMENDOUS HOSPITALITY.  
7 SPECIFICALLY ON DR. LEVEY'S STAFF WE HAVE LEAH RYMER  
8 AND CHARLIE WONG WORKING TOGETHER TO PROVIDE THE  
9 TREMENDOUS ENVIRONMENT WE HAVE HERE TODAY FOR THIS  
10 MEETING AS WELL AS FOR THE BREAKFAST AND THE SPOTLIGHT.

11 IF WE CAN HAVE A STAFF MEMBER RESCUE SHERRY  
12 LANSING, I'D LIKE TO THANK SHERRY AND UCLA FOR THE  
13 SPOTLIGHT ON CANCER WHICH WAS MARVELOUS.

14 THANK YOU, CHARLIE, FOR THE TREMENDOUS HELP  
15 IN SETTING ALL OF THIS UP.

16 (APPLAUSE.)

17 CHAIRMAN KLEIN: AND, COUNSEL, HOW ARE WE  
18 DOING ON OUR QUORUM?

19 MR. HARRISON: WE'VE GOT A QUORUM AS SOON AS  
20 SHERRY LANSING AND JEFF SHEEHY COME INTO THE ROOM.

21 CHAIRMAN KLEIN: THAT'S WHAT I WAS HOPING.  
22 OKAY. SO SHERRY LED A TREMENDOUS PROGRAM THIS MORNING  
23 WITH DR. JUDY GASSON AND DR. WITTE FROM UCLA ON CANCER.  
24 AND I WOULD REMARK THAT THAT PROGRAM FEATURED A  
25 TREMENDOUS COLLABORATIVE TEAM THAT TIED TOGETHER DR.

1 BALTIMORE AT CALTECH, IT TIED TOGETHER THE CITY OF HOPE  
2 WITH DR. FORMAN THERE, WITH UCLA, ALONG WITH USC,  
3 DR. PING AT USC, AND THE DOCTORS AS WELL WHO HOLD USC  
4 APPOINTMENTS THAT ARE AT CHILDREN'S HOSPITAL L.A.  
5 FABULOUS TEAM THAT LED TO A TREMENDOUS CANCER DRUG,  
6 GLEEVAK, THAT FEATURED A PATIENT WHO, IN FACT, OWED HIS  
7 LIFE TO THE EFFECTIVENESS OF THAT THERAPY. BUT IT  
8 FOCUSED AS WELL ON MOVING STEM CELLS FROM WHERE IT WAS  
9 ON THE OUTER PERIMETER OF CANCER RESEARCH TO WHERE IT  
10 IS NOW AT THE CORE OF CANCER RESEARCH.

11 WE WOULD CERTAINLY LIKE TO THANK SHERRY FOR  
12 ORGANIZING THAT TREMENDOUS SPOTLIGHT.

13 MS. LANSING: THANK YOU. IT'S A PLEASURE.  
14 THANKS GOES TO DR. GASSON, DR. WITTE.

15 CHAIRMAN KLEIN: IS YOUR MIC ON, SHERRY?

16 MS. LANSING: I GUESS NOT. I STARTED TO SAY  
17 THANK YOU, BUT REALLY THE THANK YOU REALLY GOES TO  
18 DR. GASSON, OWEN WITTE AND BOB. THANK YOU ALL FOR  
19 ATTENDING AND LISTENING.

20 CHAIRMAN KLEIN: SO THE MEETING BEING  
21 FORMALLY IN ORDER TODAY, WE'LL START WITH THE PLEDGE OF  
22 ALLEGIANCE. MELISSA, PLEDGE OF ALLEGIANCE AND THEN  
23 LEAD US THROUGH THE ROLL CALL, PLEASE.

24 (THE PLEDGE OF ALLEGIANCE.)

25 MS. KING: RICARDO AZZIZ.

1 DR. AZZIZ: PRESENT.  
2 MS. KING: DAVID BALTIMORE.  
3 DR. BALTIMORE: PRESENT.  
4 MS. KING: ROBERT PRICE FOR ROBERT BIRGENEAU.  
5 DR. PRICE: HERE.  
6 MS. KING: DAVID BRENNER.  
7 DR. BRENNER: PRESENT.  
8 MS. KING: SUE DUCKLES FOR SUE BRYANT.  
9 DR. DUCKLES: HERE.  
10 MS. KING: MARCY FEIT. MICHAEL FRIEDMAN.  
11 DR. FRIEDMAN: HERE.  
12 MS. KING: MICHAEL GOLDBERG. FRANK MARKLAND.  
13 DR. MARKLAND: HERE.  
14 MS. KING: DAVID KESSLER.  
15 DR. KESSLER: HERE.  
16 MS. KING: BOB KLEIN.  
17 CHAIRMAN KLEIN: HERE.  
18 MS. KING: SHERRY LANSING.  
19 MS. LANSING: HERE.  
20 MS. KING: GERALD LEVEY.  
21 DR. LEVEY: HERE.  
22 MS. KING: TED LOVE. RICHARD MURPHY. TINA  
23 NOVA. ED PENHOET.  
24 DR. PENHOET: HERE.  
25 MS. KING: PHIL PIZZO.

1 DR. PIZZO: HERE.

2 MS. KING: CLAIRE POMEROY.

3 DR. POMEROY: HERE.

4 MS. KING: FRANCISCO PRIETO.

5 DR. PRIETO: HERE.

6 MS. KING: JEANNIE FONTANA. DUANE ROTH.

7 MR. ROTH: HERE.

8 MS. KING: JOAN SAMUELSON. DAVID

9 SERRANO-SEWELL. JEFF SHEEHY.

10 MR. SHEEHY: HERE.

11 MS. KING: JONATHAN SHESTACK. OSWALD

12 STEWARD.

13 DR. STEWARD: HERE.

14 MS. KING: JANET WRIGHT.

15 DR. WRIGHT: HERE.

16 MS. KING: MR. CHAIRMAN, WE DO HAVE A QUORUM.

17 CHAIRMAN KLEIN: THANK YOU VERY MUCH. WITH

18 THAT, I'D LIKE TO MOVE INTO THE CONSENT ITEMS WE PASSED

19 OVER YESTERDAY. CONSENT ITEMS YOU WILL FIND --

20 MS. KING: IN THE THIN BINDER.

21 CHAIRMAN KLEIN: -- IN THE THIN BINDER. THE

22 CONSENT ITEMS INCLUDE TWO CATEGORIES, APPROVAL OF PRIOR

23 MINUTES, ICOC MINUTES OF DECEMBER 7TH, 2006, FEBRUARY

24 2007, MARCH 2007, AND APRIL OF 2007, ALONG WITH

25 CONSIDERATION OF AN OAL REGULATION ON THE USE OF FETAL

1 TISSUE THAT'S BEEN THROUGH THE COMMITTEE SYSTEM ON  
2 STANDARDS, STANDARDS WORKING GROUP.

3 WOULD ANYONE LIKE TO REMOVE ANYTHING FROM THE  
4 CONSENT? IS THERE A MOTION TO APPROVE THE CONSENT  
5 CALENDAR?

6 MS. LANSING: SO MOVED.

7 CHAIRMAN KLEIN: IS THERE A SECOND?

8 DR. FRIEDMAN: SECOND.

9 CHAIRMAN KLEIN: OKAY. IS THERE ANY PUBLIC  
10 COMMENT ON THESE ITEMS? SEEING NONE, ALL IN FAVOR.  
11 OPPOSED? ABSTAIN? ITEM PASSES.

12 I'D LIKE TO SEE IF WE COULD QUICKLY GO  
13 THROUGH A SUMMARY OF WHERE WE ENDED UP YESTERDAY TO  
14 BRING EVERYONE UP TO DATE. WE WILL NEED A MOTION TO  
15 RATIFY THE ACTIONS FROM YESTERDAY, AND I'D LIKE TO,  
16 THEREFORE, GET A SUMMARY. DR. CHIU, WHO WOULD YOU LIKE  
17 TO SUMMARIZE THE APPLICATIONS THAT WERE RECOMMENDED FOR  
18 TIER 1?

19 DR. CHIU: SHALL WE MOVE INTO AGENDA ITEM 8?  
20 IS THAT WHAT, MR. CHAIRMAN, YOU WOULD LIKE TO DO NOW?

21 CHAIRMAN KLEIN: WHAT I WOULD LIKE TO DO IS  
22 IN BEGINNING ITEM NO. 8, I WOULD LIKE TO SUMMARIZE THE  
23 PRELIMINARY ACTIONS WE TOOK YESTERDAY SO THAT WE CAN DO  
24 A RATIFICATION MOTION OR SEE IF, IN FACT, THERE ARE  
25 SOME MODIFICATIONS TO THE PRIOR ITEM.

1 DR. CHIU: WOULD YOU LIKE GENERAL COUNSEL TO  
2 VERY QUICKLY POINT OUT THE PROCESS SO THAT EVERYBODY  
3 HERE UNDERSTANDS WHERE WE'RE AT?

4 CHAIRMAN KLEIN: I WILL DO THAT AFTER WE CAN  
5 JUST GET A SUMMARY OF THE RECOMMENDED ACTIONS THAT WERE  
6 PRELIMINARILY TAKEN YESTERDAY, AND THEN WE'LL GO  
7 THROUGH PROCESS.

8 DR. CHIU: AMY LEWIS, WOULD YOU SHOW THE  
9 SLIDE WHERE WE ENDED LAST EVENING FOR THE SHARED LABS?

10 MS. KING: MAYBE IF WE COULD HAVE GENERAL  
11 COUNSEL, TAMAR PACHTER, SPEAK FOR A FEW MOMENTS WHILE  
12 WE GET THE PROJECTOR WORKING, THAT'D BE GREAT.

13 DR. CHIU: IS THAT ALL RIGHT, MR. CHAIRMAN?

14 CHAIRMAN KLEIN: ABSOLUTELY. WE'LL  
15 EFFICIENTLY USE OUR TIME HERE. IT LOOKS LIKE WE HAVE A  
16 DEDICATED TECH TO HELP US. SO TAMAR.

17 MS. PACHTER: GOOD MORNING, EVERYONE. FOR  
18 THOSE OF YOU WHO COULDN'T BE WITH US YESTERDAY, I WOULD  
19 POINT YOU IN YOUR BINDERS FOR THE SHARED LABS TO THE  
20 TAB THAT'S MARKED "COMBINED SUMMARIES." IN THERE YOU  
21 WILL FIND ON THE FIRST PAGE A CHART THAT THE SCIENTIFIC  
22 STAFF HAS PREPARED.

23 AND IT SHOWS YOU THE THREE GROUPINGS OF  
24 APPLICATIONS FOR THE SHARED LABS, COMBINING THE SCORING  
25 OF THE GRANTS WORKING GROUP AND THE FACILITIES WORKING



1 GROUP. AND THIS IS WHERE WE BEGAN OUR DISCUSSION  
2 YESTERDAY.

3 IN THE FIRST TIER ARE THE APPLICATIONS ON  
4 WHICH BOTH WORKING GROUPS AGREED THAT THEY SHOULD BE  
5 FUNDED. THOSE ARE TIER 1.

6 IN TIER 2 ARE APPLICATIONS THAT HAD MIXED  
7 RECOMMENDATIONS. EITHER THE GRANTS WORKING GROUP  
8 RECOMMENDED FOR FUNDING AND THE FACILITIES WORKING  
9 GROUP DIDN'T OR THE REVERSE.

10 AND IN TIER 3 ARE THOSE APPLICATIONS THAT  
11 BOTH WORKING GROUPS AGREE SHOULD NOT BE FUNDED AT THIS  
12 TIME.

13 WHAT HAPPENED YESTERDAY, TO RECAP, IS THAT  
14 THE BODY MOVED TO APPROVE AS A BLOCK FOR FUNDING ALL  
15 THOSE APPLICATIONS IN TIER 1 AND TO MOVE INTO TIER 1  
16 FROM TIER 2 THE FIRST TWO APPLICATIONS, 500-1 AND  
17 521-1. AND I BELIEVE THAT'S WHERE WE LEFT OFF  
18 YESTERDAY.

19 CHAIRMAN KLEIN: THAT IS WHERE WE LEFT OFF  
20 YESTERDAY. TO PROVIDE SOME CONTEXT FOR THAT FOR THE  
21 STRAW VOTE THAT, IN FACT, APPROVED THOSE ITEMS, I  
22 SHOULD REMIND EVERYONE THAT THE TOP ITEM IN TIER 2 WAS  
23 ONLY THERE BECAUSE THE COURSE WAS NOT APPROVED, THE  
24 TECHNIQUES COURSE. THE TOP ITEM THAT HAD BEEN LISTED  
25 IN TIER 2 DID HAVE AN APPROVAL RECOMMENDATION FROM BOTH

1 THE GRANTS WORKING GROUP AND THE FACILITIES WORKING  
2 GROUP ON THE SHARED LABS. SO JEFF SHEEHY, IN POINTING  
3 THAT OUT, ASKED FOR A MOTION TO MOVE THAT INTO TIER 1,  
4 AND THAT MOTION WAS APPROVED.

5 SECONDLY, JEFF, WOULD YOU LIKE TO SUMMARIZE  
6 THE BASIS ON WHICH WE ACTED IN MOVING THE ADDITIONAL  
7 ITEM FROM TIER 2 INTO TIER 1?

8 MR. SHEEHY: SURE. AFTER SOME DISCUSSION  
9 ABOUT AND SOME NEW INFORMATION ALSO FROM STAFF, RICK  
10 KELLER, WE HAD ONE APPLICATION THAT SCORED FAIRLY HIGH  
11 FROM THE SCIENCE POINT OF VIEW, BUT HAD NOT SCORED AS  
12 WELL IN THE FACILITIES WORKING GROUP REVIEW, AND ONE OF  
13 THE MAJOR CONSIDERATIONS WAS COST.

14 AND AS STAFF NOTED, THE COST PROBABLY SHOULD  
15 HAVE BEEN SPREAD OUT OVER ANOTHER FIVE TO 600 SQUARE  
16 FEET, WHICH WOULD HAVE BROUGHT THE COST BACK DOWN TO A  
17 MORE REASONABLE LEVEL. AND THEN THERE WERE SPECIFIC  
18 GEOGRAPHICAL CIRCUMSTANCES REALLY UNIQUE, I THINK, IN  
19 THE STATE FOR THIS ONE PARTICULAR INSTITUTION THAT MADE  
20 THEIR COSTS MORE THAN ANOTHER INSTITUTION RELATIVE  
21 TO -- THEY'RE IN JUST A PARTICULAR PERFECT STORM OF  
22 ISOLATION, HIGH REAL ESTATE, LACK OF THAT TYPE OF  
23 CONSTRUCTION INFRASTRUCTURE IN TERMS OF COMPANIES THAT  
24 DO THE WORK OR CONTRACTORS THAT DO THE WORK.

25 FURTHER, THEY DO HAVE, AS NOTED IN THE GRANTS

1 WORKING GROUP, A PARTICULAR NICHE OF SCIENCE AND HAVE  
2 MADE A SIGNIFICANT MAJOR RECRUITMENT. AND SO THIS IS A  
3 PROGRAM THAT FROM A SCIENTIFIC POINT OF VIEW WE'D LIKE  
4 TO ENCOURAGE.

5 I DO THINK WE HAVE ALSO MORE INFORMATION  
6 ABOUT THE INSTITUTIONAL COMMITMENT TO THIS PARTICULAR  
7 PROJECT THAT IS LARGER THAN WHAT INITIALLY WE HAD BEEN  
8 AWARE OF AT THE FACILITIES WORKING GROUP. SO FOR ALL  
9 THOSE REASONS, THE FEELING WAS WE HAD THE MOTION AND WE  
10 VOTED TO MOVE THAT ONE ALSO INTO TIER 1.

11 CHAIRMAN KLEIN: ALL RIGHT. AND THAT IS ITEM  
12 521-1. BUT AS JEFF SAID, THE ADDITIONAL INFORMATION  
13 THAT WAS SUBMITTED IN RESPONSE TO STAFF INQUIRIES  
14 HELPED REALLY CLARIFY THE COST ITEMS THAT GAVE US  
15 INFORMATION THAT WAS REALLY NOT BEFORE THE FACILITIES  
16 COMMITTEE.

17 SO AT THIS TIME, BEFORE WE GO INTO ANY  
18 ADDITIONAL REVIEWS UNDER THIS CATEGORY, I WOULD LIKE TO  
19 KNOW IF THERE IS A MOTION TO RATIFY AND ADOPT THE  
20 PRELIMINARY RECOMMENDATIONS THAT CAME OUT OF THE  
21 MEETING YESTERDAY THAT ACCEPTS THE RECOMMENDATION FOR  
22 FUNDING FOR ALL THOSE LISTED IN TIER 1 AND AS WELL  
23 TAKES THE TOP TWO IN THE TIER 2 CATEGORY AND ADDS THEM  
24 TO TIER 1 FUNDING.

25 DR. WRIGHT: SO MOVED.

1 CHAIRMAN KLEIN: MOVED BY JANET WRIGHT.

2 DR. LEVEY: SECOND.

3 CHAIRMAN KLEIN: SECOND BY DR. LEVEY. HE  
4 CANNOT.

5 MR. ROTH: SECOND.

6 CHAIRMAN KLEIN: DUANE ROTH IS THE SECOND.  
7 LET ME REVIEW FOR THE PUBLIC AND THE BOARD THAT WHEN  
8 WE'RE MOVING A GROUP OF APPLICATIONS, IF ANYONE HAS A  
9 CONFLICT WITH ANY APPLICATION IN THE GROUP, THEY CANNOT  
10 EITHER MAKE THE MOTION OR THE SECOND. AND AS YOU CAN  
11 SEE, THE BOARD IS HIGHLY ATTUNED TO THESE PROCEDURES.

12 ADDITIONALLY, I WOULD LIKE TO REMIND THE  
13 BOARD IN VOTING ON A MOTION THAT INCLUDES A BLOCK, THE  
14 VOTE EITHER FOR OR AGAINST NEEDS TO STATE THAT IT IS  
15 FOR/AGAINST WITH THE EXCEPTION OF THOSE FOR WHICH YOU  
16 ARE RECUSED OR FOR WHICH YOU ABSTAIN, DEPENDING UPON  
17 THE FACT PATTERN. IN CASE YOU HAVE BOTH AN ABSTENTION  
18 AND A RECUSAL, IT WOULD BE CONJUNCTIVE FOR/AGAINST FOR  
19 THE ONES YOU ABSTAIN AND ARE RECUSED FROM.

20 I WOULD LIKE TO, BEFORE WE GO TO A VOTE, SEE  
21 IF THERE IS PUBLIC COMMENT ON THIS MOTION AND SEE IF  
22 THERE'S, FIRST, ANY BOARD COMMENT IN DISCUSSION OF THIS  
23 MOTION? ANY ADDITIONAL BOARD COMMENT OR INFORMATION  
24 REQUESTED BEYOND THE DETAILED INFORMATION YOU HAVE, OF  
25 COURSE, IN YOUR BINDERS ON EACH OF THESE AND THE RECAP

1 WE HAVE DONE THIS MORNING? SEEING NONE, IS THERE  
2 PUBLIC COMMENT? YES. TWO PUBLIC COMMENTS.

3 I WANT TO POINT OUT TO THE PUBLIC THAT WE ARE  
4 PROCEEDING INCREMENTALLY, SO IT IS NOT INTENDED TO BE  
5 IMPLIED THAT THE ONES WE'RE APPROVING AT THIS POINT ARE  
6 THE ONLY ONES TO BE APPROVED. THIS IS AN INCREMENTAL  
7 PROCESS.

8 DR. WITHERELL: SO I'M MIKE WITHERELL. I'M  
9 VICE CHANCELLOR FOR RESEARCH AT UC SANTA BARBARA.  
10 FIRST OF ALL, WE HEARD ALREADY ABOUT THIS TODAY, AND I  
11 DON'T HAVE MUCH TO SAY. I WOULD SAY THAT FOR  
12 APPLICATION 521, WE HAD AN INTERACTION WITH THE CIRM  
13 STAFF ON THE FACILITIES ASPECTS OF THIS. AND WE  
14 APPRECIATE THEIR PROFESSIONALISM AND RESPONSIVENESS.  
15 IT'S BEEN A VERY PRODUCTIVE DISCUSSION.

16 AND I ALSO SAY, AS SOMEONE WITH A LOT OF  
17 EXPERIENCE WITH FUNDING AGENCIES, I APPRECIATE THE  
18 FORMIDABLE TASK OF STARTING UP A MASSIVE FUNDING AGENCY  
19 LIKE THIS. IT'S A VERY IMPRESSIVE SHOW THAT YOU'RE  
20 THIS FAR ALONG. SO THANK YOU.

21 CHAIRMAN KLEIN: THANK YOU VERY MUCH.

22 MR. SIMPSON: JOHN SIMPSON FROM THE  
23 FOUNDATION FOR TAXPAYER AND CONSUMER RIGHTS. I  
24 APOLOGIZE FOR NOT JOINING YOU LAST NIGHT. THAT IS  
25 UNLIKE ME.

1                   VERY, VERY QUICKLY, IT STRUCK ME INITIALLY  
2                   THAT I WAS SKEPTICAL OF DOING THIS WITH SANTA BARBARA,  
3                   BUT IT'S BEGINNING TO SOUND LIKE IT IS THE CORRECT  
4                   THING TO DO. I WOULD HAVE PREFERRED THAT SOME OF THE  
5                   INTERCHANGE BETWEEN THE FACILITIES AND THE STAFF MIGHT  
6                   HAVE BEEN IN A MORE PUBLIC VENUE.

7                   THE OTHER THING THAT SEEMS TO BE DRIVING ALL  
8                   OF THIS THAT IS UNSPOKEN, SO I THINK I OUGHT TO GET IT  
9                   ON RECORD SINCE IN SOME OTHER SITUATIONS I AM CAST AS  
10                  AN OPPONENT OF THIS GENTLEMAN. I BELIEVE SANTA  
11                  BARBARA'S NEW FACILITY IS GOING TO BE THE HOME TO SOME  
12                  STUFF THAT JAMIE THOMPSON IS GOING TO BE DOING. AND I  
13                  DON'T THINK THAT CAME OUT IN THE RESEARCH -- I'M  
14                  SORRY -- IN THE DISCUSSION. IT WOULD SEEM TO ME,  
15                  AGAIN, THAT'S AN ARGUMENT THAT THE MORE WE CAN DISCLOSE  
16                  ABOUT PROJECTS AND HAVE DISCUSSED PUBLICLY, THE MORE IT  
17                  HELPS.

18                  SO I'M GLAD THAT JAMIE THOMPSON IS COMING TO  
19                  THE STATE, AND I'M GLAD THAT SANTA BARBARA IS GOING TO  
20                  BE HOSTING HIM. AND THIS SOUNDS LIKE A WISE THING TO  
21                  DO.

22                  CHAIRMAN KLEIN: THANK YOU VERY MUCH. AND,  
23                  JOHN, WE DID LAST NIGHT BRING OUT THE STAFF  
24                  COMMUNICATION WITH SANTA BARBARA AND PUT THAT ON THE  
25                  RECORD, AND SO THAT WILL BE AVAILABLE TO YOU.

1 I WOULD LIKE TO SEE IF THERE'S ANY OTHER  
2 PUBLIC COMMENT. I'D LIKE TO SEE IF THERE'S ANY  
3 ADDITIONAL PUBLIC COMMENT. SEEING NO ADDITIONAL PUBLIC  
4 COMMENT, I'D LIKE TO CALL THE ROLL.

5 MS. KING: COUNSEL HAS ASKED ME TO RECAP IT.  
6 THIS IS A MOTION TO APPROVE FOR FUNDING TIER 1 PLUS  
7 APPLICATION 500 AND APPLICATION 521; IS THAT CORRECT,  
8 DR. WRIGHT?

9 DR. WRIGHT: RIGHT.

10 MS. KING: RICARDO AZZIZ.

11 DR. AZZIZ: APPROVE EXCEPT FOR THOSE THAT I  
12 HAVE A CONFLICT IN.

13 MS. KING: DAVID BALTIMORE.

14 DR. BALTIMORE: APPROVED EXCEPT FOR THOSE  
15 WHERE I'M RECUSED.

16 MS. KING: ROBERT PRICE.

17 DR. PRICE: APPROVED EXCEPT FOR THOSE IN  
18 WHICH I HAVE A CONFLICT.

19 MS. KING: DAVID BRENNER.

20 DR. BRENNER: APPROVED EXCEPT FOR THOSE WHERE  
21 I'M RECUSED.

22 MS. KING: SUE DUCKLES.

23 DR. DUCKLES: APPROVED EXCEPT WHERE I HAVE A  
24 CONFLICT.

25 MS. KING: MICHAEL FRIEDMAN.

1 DR. FRIEDMAN: APPROVED EXCEPT FOR CONFLICTS.  
2 MS. KING: FRANK MARKLAND.  
3 DR. MARKLAND: APPROVED EXCEPT FOR THOSE I  
4 HAVE A CONFLICT WITH.  
5 MS. KING: DAVID KESSLER.  
6 DR. KESSLER: APPROVED EXCEPT FOR CONFLICTS.  
7 MS. KING: BOB KLEIN.  
8 CHAIRMAN KLEIN: APPROVED.  
9 MS. KING: SHERRY LANSING.  
10 MS. LANSING: APPROVED EXCEPT FOR THOSE WHERE  
11 I HAVE A CONFLICT.  
12 MS. KING: GERALD LEVEY.  
13 DR. LEVEY: APPROVED EXCEPT FOR THOSE I HAVE  
14 A CONFLICT.  
15 MS. KING: ED PENHOET.  
16 DR. PENHOET: APPROVED EXCEPT FOR THOSE WITH  
17 WHICH I HAVE A CONFLICT.  
18 MS. KING: PHIL PIZZO.  
19 DR. PIZZO: APPROVED EXCEPT FOR THOSE FOR  
20 WHICH I HAVE A CONFLICT.  
21 MS. KING: CLAIRE POMEROY.  
22 DR. POMEROY: APPROVED EXCEPT FOR THOSE FOR  
23 WHICH I'M RECUSED.  
24 MS. KING: FRANCISCO PRIETO.  
25 DR. PRIETO: APPROVED.



1 MS. KING: DUANE ROTH.  
2 MR. ROTH: APPROVED.  
3 MS. KING: JEFF SHEEHY.  
4 MR. SHEEHY: APPROVED EXCEPT FOR THOSE WITH  
5 WHICH I HAVE A CONFLICT.  
6 MS. KING: OSWALD STEWARD.  
7 DR. STEWARD: APPROVED EXCEPT FOR THOSE WITH  
8 WHICH I HAVE A CONFLICT.  
9 MS. KING: JANET WRIGHT.  
10 DR. WRIGHT: APPROVED.  
11 MS. KING: THAT MOTION CARRIES, MR. CHAIRMAN.  
12 CHAIRMAN KLEIN: THANK YOU. AT THIS TIME --  
13 DR. CHIU: JUST A QUICK REMINDER, NOT TO  
14 RECAP EVERYTHING LAST NIGHT, BUT WE FIRST NEED TO VOTE,  
15 AND WE ARE DOING, THE SHARED LABS BECAUSE, AS WE USED  
16 TO SAY, NO LAB, NO COURSE. SO WE'RE DEFERRING APPROVAL  
17 FROM THE BOARD REGARDING THE COURSES. JUST A QUICK  
18 REMINDER.  
19 AND THE OTHER GOAL IS TO MOVE APPLICATIONS  
20 BASED ON YOUR DECISIONS EITHER INTO TIER 1 OR INTO TIER  
21 3. THANK YOU.  
22 CHAIRMAN KLEIN: LAST NIGHT WE DISCUSSED THAT  
23 AFTER CONVENING THIS MORNING AND DEALING WITH THE  
24 RATIFICATION OR MODIFICATION OF THE DECISIONS  
25 YESTERDAY, WE WOULD GO INTO AN EXECUTIVE SESSION BEFORE

1 GOING THROUGH THE NEXT GROUP OF APPLICATIONS TO SEE IF  
2 THERE IS PROPRIETARY INFORMATION THAT MIGHT BE VALUABLE  
3 TO EXPLORE IN UNDERSTANDING OUR OPTIONS FOR THOSE  
4 RECOMMENDATIONS ON WHICH THERE IS A MIXED  
5 RECOMMENDATION APPROVAL FROM ONE AND NOT APPROVAL FROM  
6 THE OTHER OR IN WHICH THERE IS A RECOMMENDATION NOT TO  
7 FUND FROM BOTH OF THEM.

8 THE EXECUTIVE SESSION FOR DISCUSSION OF  
9 CONFIDENTIAL INTELLECTUAL PROPERTY OR WORK PRODUCT AND  
10 PREPUBLICATION CONFIDENTIAL SCIENTIFIC RESEARCH AND  
11 DATA RELATING TO SHARED LABS IS UNDER HEALTH AND SAFETY  
12 CODE 125290.30(D)(3)(B) AND (C).

13 SO WE WILL BE ADJOURNING INTO THE EXECUTIVE  
14 SESSION. WE WILL TRY AND MAKE THIS A RELATIVELY SHORT  
15 EXECUTIVE SESSION, BUT IT WILL DEPEND UPON THE LEVEL OF  
16 QUESTIONS OF THE BOARD MEMBERS.

17 COUNSEL, IS THERE ANYTHING THAT PREVENTS US  
18 AT THIS POINT OR ANY ADDITIONAL INFORMATION WE NEED  
19 BEFORE ADJOURNING TO EXECUTIVE SESSION?

20 MS. PACHTER: NO.

21 CHAIRMAN KLEIN: SO, MELISSA.

22 MS. KING: WE ARE GOING BACK ACROSS THE HALL  
23 TO THE SAME ROOM WHERE YOU HAD BREAKFAST FOR THE CLOSED  
24 SESSION.

25 CHAIRMAN KLEIN: OKAY. WE ARE GOING DIRECTLY

1 OUT OF THESE DOORS AND STRAIGHT BACK. THANK YOU.

2 (THE BOARD THEN WENT INTO CLOSED  
3 SESSION, NOT REPORTED, NOR HEREIN TRANSCRIBED. OPEN  
4 SESSION WAS THEN HEARD AS FOLLOWS:)

5 (MEMBER SHESTACK IS NOW PRESENT.)

6 CHAIRMAN KLEIN: IF WE CAN RECONVENE, WE NEED  
7 TO MOVE EFFECTIVELY HERE. APPRECIATE EVERYONE  
8 REASSEMBLING. STAFF, DO WE HAVE ANY MEMBERS THAT ARE  
9 STILL TRYING TO GET OFF PHONE CALLS? DR. BRENNER IS  
10 SOMEONE WE NEED. IF YOU COULD EXPRESS THAT TO HIM,  
11 PLEASE. OKAY. ALL RIGHT.

12 IN RECONVENING, THE FIRST THING I'M GOING TO  
13 DO, WHILE DR. BRENNER IS FINISHING AN URGENT CALL  
14 DEALING WITH UCSD MEDICAL CENTER, WE'RE GOING TO GO  
15 OVER SOME BASIC FACTUAL INFORMATION. WE WILL THEN,  
16 IMMEDIATELY UPON DR. BRENNER'S RETURN, IN ORDER TO  
17 CREATE A CONSERVATIVE POSITION FOR THE VOTE WE TOOK  
18 JUST BEFORE ADJOURNING, WE WILL RETAKE THAT VOTE THAT  
19 WE TOOK THIS MORNING BECAUSE WITH THE ABSTENTIONS AND  
20 THE RECUSALS, WE JUST HAVE A BETTER MARGIN OF APPROVAL  
21 GIVEN THAT WE HAVE AN ADDITIONAL MEMBER THAT HAS  
22 ARRIVED SINCE THAT VOTE WAS TAKEN. SO THANK YOU, JON  
23 SHESTACK.

24 BUT COULD WE PLEASE FIRST REVIEW THE FACTUAL  
25 PATTERN HERE FOR THE BENEFIT OF THE PUBLIC AND THE

1 BOARD?

2 SO TO FRAME THIS DISCUSSION, WE HAVE 48 AND A  
3 HALF MILLION DOLLARS THAT WAS PROJECTED FOR USE.  
4 EVERYONE SHOULD UNDERSTAND THAT THERE'S A MAXIMUM OF  
5 \$19 MILLION OF THESE FUNDS THAT WOULD COME OUT OF  
6 CAPITAL BUDGET, OUT OF THE 300 MILLION. THE BALANCE  
7 COMES OUT OF EITHER THE RESEARCH -- COMES OUT OF THE  
8 RESEARCH BUDGET BECAUSE IT IS IN CLASS II OR III  
9 EQUIPMENT, MOVABLE EQUIPMENT. THE PUBLIC WILL REMEMBER  
10 THAT CLASS I EQUIPMENT, WHICH IS FIXTURES LIKE AIR  
11 HANDLERS FOR GLP LABS, IS PART OF THE BUILDING SYSTEM  
12 AND COMES OUT OF THE FACILITIES STRUCTURAL BUDGET;  
13 WHEREAS, THE MONEY THAT GOES INTO MOVABLE EQUIPMENT OR  
14 COURSES COMES OUT OF THE RESEARCH BUDGET.

15 SO A MAXIMUM OF 19 MILLION. MY  
16 UNDERSTANDING, AND WE'RE ABOUT TO BE BRIEFED BY STAFF,  
17 IS THAT THERE'S APPROXIMATELY 16 MILLION, ASSUMING ALL  
18 OF THE APPLICATIONS WERE APPROVED THAT ARE BEFORE US,  
19 WOULD COME OUT OF THE FACILITIES BUDGET.

20 WE BENEFIT BECAUSE THERE ARE A NUMBER OF  
21 THESE PROPOSALS THAT COME WITH VERY LARGE MATCHING  
22 GRANTS. SO WE HAVE SUBSTANTIALLY MORE THAT WE'RE  
23 OBTAINING FOR THE BENEFIT OF THE RESEARCH CENTERS IN  
24 THE STATE THAN OUR EXPENDITURE THROUGH THE MATCHING  
25 FUNDS OF CIVIC DONORS AND INSTITUTIONAL FUNDS BEING

1 COMMITTED TO THE PROJECT FOR WHICH WE ARE DEEPLY  
2 APPRECIATIVE.

3           COULD STAFF PLEASE DISPLAY THE NUMBERS FOR  
4 THE SHARED LABS UNDER CONSIDERATION? AND IT WILL BE ON  
5 THE SCREEN TO MY LEFT. IF IT'S GOING TO TAKE A COUPLE  
6 OF MINUTES -- SO, AMY LEWIS, WOULD YOU PLEASE SUMMARIZE  
7 THE DATA?

8           MS. LEWIS: SORRY IT'S DIFFICULT TO SEE. IN  
9 THE FIRST COLUMN, YOU HAVE THE APPLICATION NUMBER, AND  
10 THE APPLICATIONS ARE LISTED IN RANK ORDER OF THEIR  
11 SCORE IN TIER 1.

12           THE SECOND COLUMN IS -- I'M SORRY. THE FIRST  
13 COLUMN IS THE TIER. THE SECOND COLUMN LISTS THE  
14 APPLICATION NUMBER. THE THIRD COLUMN LISTS THE SCORE  
15 FROM THE GRANTS WORKING GROUP, THE AVERAGE SCORE.  
16 COLUMN D, FOURTH COLUMN, LISTS THE AVERAGE SCORE FROM  
17 THE FACILITIES WORKING GROUP FOR THE SHARED LAB ONLY.  
18 AND THEN THE COLUMN E IS THE SHARED LAB CAPITAL  
19 CONSTRUCTION AMOUNT, THE AMOUNT REQUESTED FOR THE  
20 CAPITAL. AND, FINALLY, COLUMN F, THAT WOULD BE THE  
21 TOTAL REQUESTED BUDGET FOR THE SHARED LAB. THAT'S  
22 CAPITAL EQUIPMENT AND THE PROGRAM COSTS FOR THE ENTIRE  
23 SHARED LAB PORTION OF THE APPLICATION.

24           CHAIRMAN KLEIN: NOW, FOR CLARIFICATION, AT  
25 THE BOTTOM OF THOSE CURRENTLY IN TIER 1, TO THE RIGHT

1 YOU SEE A TOTAL OF 32 MILLION 556, CORRECT?

2 MS. LEWIS: THAT'S RIGHT. AND THAT NUMBER IS  
3 THE TOTAL FOR THE SHARED LAB PORTION FOR ALL OF THE  
4 APPLICATIONS IN TIER 1.

5 CHAIRMAN KLEIN: SO THAT'S THE POINT WE'RE AT  
6 ON A BUDGET BASIS AT THIS JUNCTURE. AND THE NUMBERS  
7 THAT YOU DELETED AT THE BOTTOM SHOW THAT IF, IN FACT,  
8 EVERYTHING WAS APPROVED, WE WOULD HAVE APPROXIMATELY 15  
9 MILLION IN CAPITAL COST AND ABOUT 51 MILLION IN TOTAL  
10 COST?

11 MS. LEWIS: FOR THE SHARED LAB PORTION ONLY.

12 CHAIRMAN KLEIN: IN THE COURSES PORTION  
13 THERE'S ABOUT A MILLION DOLLARS IN CAPITAL  
14 EXPENDITURES?

15 MS. LEWIS: THAT'S RIGHT. SO THE TOTAL  
16 CAPITAL, IF YOU FUNDED ALL OF THE COURSES, ALL OF THE  
17 LABS, WOULD BE 16.6 MILLION APPROXIMATELY.

18 CHAIRMAN KLEIN: 60.6 MILLION AGAINST A  
19 BUDGET OF 48 MILLION.

20 MS. LEWIS: I'M SORRY. 16.6 FOR THE CAPITAL,  
21 AND THE TOTAL WOULD BE 62.2 IF YOU FUNDED ALL PARTS OF  
22 ALL APPLICATIONS.

23 CHAIRMAN KLEIN: BUT AT THE POINT WE'RE AT AT  
24 THIS JUNCTURE DOWN THROUGH THE SCORE OF APPLICATION  
25 521, WE'RE AT 32 AND A HALF MILLION.

1 MS. LEWIS: FOR THE SHARED LAB PORTION ONLY,  
2 THAT'S CORRECT.

3 CHAIRMAN KLEIN: WITHOUT THE COURSE.

4 MS. LEWIS: WITHOUT THE COURSE.

5 CHAIRMAN KLEIN: ALL RIGHT. SO WHAT I'D LIKE  
6 TO DO BEFORE OPENING THE DISCUSSION OF ADDITIONAL  
7 APPLICATIONS ON WHICH THERE IS A MIXED RECOMMENDATION  
8 IS I'D LIKE TO GO BACK TO THE VOTE WE TOOK EARLIER.  
9 COUNSEL.

10 MS. PACTER: UNTIL MEMBER LANSING RETURNS,  
11 WE SHOULD PROBABLY MOVE ON TO THE INDIVIDUAL  
12 APPLICATIONS.

13 CHAIRMAN KLEIN: ALL RIGHT. AND WILL STAFF  
14 PLEASE TRY AND ASK MEMBER LANSING TO IMMEDIATELY  
15 RETURN? OKAY. SO WHILE WE'RE WAITING FOR MEMBER  
16 LANSING TO RETURN, COMING OUT OF THE EXECUTIVE SESSION,  
17 ARE THERE APPLICATIONS THAT THE MEMBERS WISH TO DISCUSS  
18 INDIVIDUALLY TO BRING INTO A PUBLIC DISCUSSION OF THE  
19 POTENTIAL MOVEMENT OF AN APPLICATION INTO TIER 1 FOR  
20 FUNDING? I'D LIKE TO START WITH DR. AZZIZ, AND THEN  
21 WE'LL COME THIS WAY.

22 DR. AZZIZ: I'D LIKE TO BRING IN APPLICATION  
23 508 FOR DISCUSSION.

24 DR. POMEROY: SECOND.

25 CHAIRMAN KLEIN: THE MOTION IS BY DR. AZZIZ.

1 THE SECOND IS BY DR. POMEROY.

2 MR. HARRISON: BOB, THE RECUSALS ARE MEMBERS  
3 DUCKLES, LANSING, AND STEWARD.

4 CHAIRMAN KLEIN: PROCEDURALLY HERE, WE WILL  
5 HAVE A SCIENTIFIC PRESENTATION, THEN WE WILL HAVE A  
6 FACILITIES PRESENTATION. AND IF WE COULD, AFTER THE  
7 FACILITIES PRESENTATION, JEFF, COULD YOU PROVIDE SOME  
8 INPUT COMING FROM YOUR POSITION AS THE VICE CHAIR OF  
9 THE SCIENTIFIC GROUP, PLEASE?

10 DR. KUMAR: IN THE INTEREST OF TIME, I'LL TRY  
11 TO HIT THE HIGHLIGHTS ON THE STRENGTHS AND WEAKNESSES.  
12 THIS APPLICATION WAS CONSIDERED TO BE VERY  
13 WELL-ORGANIZED, LED BY A SENIOR INVESTIGATOR. THE  
14 INSTITUTION HAS DEMONSTRATED THEIR COMMITMENT TO  
15 EMBRYONIC STEM CELL RESEARCH BY HIRING A VERY GOOD  
16 YOUNG STEM CELL BIOLOGIST AS A RECENT RECRUIT.

17 AND THE SCIENCE WAS CONSIDERED TO BE VERY,  
18 VERY GOOD. THE VARIETY OF RESEARCH TO BE CONDUCTED IS  
19 VERY IMPRESSIVE IN THIS APPLICATION. AND THE GROUP IN  
20 GENERAL HAS A VERY STRONG TRACK RECORD OF PUBLICATIONS  
21 AS WELL AS FUNDING.

22 THE MAIN WEAKNESS WAS THAT WHILE THE GROUP IS  
23 VERY ACCOMPLISHED, THERE'S NO ONE YET WHO HAS EXTENSIVE  
24 EXPERIENCE WITH HUMAN EMBRYONIC STEM CELLS; AND, THUS,  
25 THERE IS NO ONE THAT HAS A TRUE SENSE OF THE DIFFICULTY



1 OF WORKING WITH THESE CELLS. MOREOVER, WHILE THERE'S A  
2 CLEAR NEED FOR THE FACILITY, THE CURRENT STRUCTURE  
3 WITHIN THE APPLICATION HAS A LAB MANAGER AND A RESEARCH  
4 TECHNICIAN, TBD, AND THERE WAS A THOUGHT THAT THE  
5 INSTITUTION WOULD HAVE A HARD TIME FINDING PEOPLE TO  
6 FILL THESE POSITIONS GIVEN THE SALARIES THAT THEY HAD  
7 REQUESTED.

8 THAT SAID, IF THE PROGRAM DIRECTOR WERE ABLE  
9 TO FIND THESE PEOPLE, IT'S THOUGHT THAT A HIGH QUALITY  
10 FACILITY FOR HESC CULTURE WOULD BE PRODUCED, AND IT'S  
11 BADLY NEEDED AT THIS INSTITUTION.

12 CHAIRMAN KLEIN: DR. AZZIZ.

13 DR. AZZIZ: COULD I JUST CLARIFY TWO THINGS?  
14 IF YOU CAN GIVE US THE SCIENTIFIC SCORE, THAT WOULD BE  
15 HELPFUL. AND SECONDLY, JUST TO CLARIFY IN OUR REVIEW  
16 THE CONCERN, I DIDN'T THINK, WAS THAT THEY DIDN'T HAVE  
17 EXPERIENCE WITH STEM CELL BIOLOGY, WHICH YOU MENTIONED  
18 THEY HAVE THAT, BUT WITH THE MANAGEMENT OF A SHARED  
19 FACILITY OF STEM CELL BIOLOGY, WHICH I THINK IS TWO  
20 SEPARATE ISSUES. AM I CORRECT ON THAT?

21 DR. KUMAR: LET ME JUST DOUBLE-CHECK. AM I  
22 ABLE TO REVEAL THE SCORE? SO THE SCIENTIFIC SCORE FOR  
23 THIS APPLICATION WAS A 73.

24 AND, YES, YOU ARE CORRECT ABOUT THE  
25 WEAKNESSES WHERE THE MAIN CONCERN WAS IN THE MANAGERIAL

1 PLAN OF THE LAB.

2 A SECONDARY CONCERN RELATIVE TO THE  
3 EXPERIENCE OF THE SCIENTISTS HAS TO DO WITH THEIR BEING  
4 YOUNG TO THE FIELD.

5 CHAIRMAN KLEIN: ALL RIGHT. DR. PIZZO.

6 DR. PIZZO: SO WE'VE HAD AN OPPORTUNITY TO  
7 REVIEW THIS IN A SUBGROUP THAT INCLUDED DRS. POMEROY  
8 AND AZZIZ AND MYSELF. AND WE AFFIRM -- JON SHESTACK.  
9 SORRY. AND WE AFFIRM THE COMMENTS THAT HAVE ALREADY  
10 BEEN OFFERED AND FELT THAT THERE IS EVIDENCE OF  
11 SCIENTIFIC CREDIBILITY BASED UPON THE SCORE AS WELL AS  
12 THE INVESTIGATORS WHO ARE PRESENT, THEIR TRACK RECORD  
13 IN SECURING PRIOR FUNDING FROM CIRM, AND THE  
14 RECRUITMENT OF A NEW INVESTIGATOR WHO HAS CONSIDERABLE  
15 PROMISE, TOGETHER WITH AN ARRANGEMENT THAT ALLOW THEM  
16 TO SOLICIT INPUT FROM ANOTHER INVESTIGATOR AT A NEARBY  
17 INSTITUTION WHO WOULD HELP THEM UNDERSTAND WHAT'S  
18 INVOLVED IN SETTING UP A LABORATORY.

19 AND OBVIOUSLY IF THE WORK IS GOING TO GO  
20 FORWARD, GIVEN THAT THERE'S FUNDING PRESENT, A FACILITY  
21 OF THIS TYPE WOULD BE HELPFUL TO THAT RESEARCH  
22 ACTIVITY.

23 CHAIRMAN KLEIN: ALL RIGHT. JEFF, FROM YOUR  
24 POSITION, EITHER CHAIRING ON FACILITIES OR AS THE VICE  
25 CHAIR OF THE SCIENTIFIC WORKING GROUP, WOULD YOU LIKE

1 TO MAKE A COMMENT?

2 MR. SHEEHY: SURE. I CAN GIVE SOME TEXTURE.  
3 I WOULD NOTE THAT FOR SEVERAL OF THE REVIEWERS, THEY  
4 THOUGHT THAT THE TOP QUARTILE WAS GOING TO BE FUNDABLE.  
5 SO THE FACT THAT THIS WAS, FOR OUR PURPOSES, WITHIN THE  
6 TOP QUARTILE. THERE WAS DISCUSSION WITHIN THE WORKING  
7 GROUP AMONG SOME MEMBERS TO BE RATHER RIGOROUS.

8 SO I THINK THAT IN THEIR INITIAL SCORING OF  
9 THIS APPLICATION, THAT THERE WAS THE EXPECTATION THAT  
10 IT WOULD BE APPROVED FOR FUNDING. IT IS SOMEWHAT  
11 ANOMALOUS TO FUND ONE AT 73 AND NOT TO FUND THE OTHER.  
12 I THINK THAT THE BIG RESEARCH QUESTION WAS THIS  
13 RELATIONSHIP, THE LACK OF EXPERIENCE. IT'S A NEW  
14 PROGRAM. WE HAVE TO BE HONEST. IT'S NOT WELL-KNOWN.  
15 AND THAT DOES PRESENT CERTAIN DIFFICULTIES WITH ALL OF  
16 OUR REVIEWERS COMING FROM OUT-OF-STATE, PREDOMINANTLY  
17 FROM THE EAST COAST.

18 AND I THINK THAT THE SMALLER GROUP THAT MET,  
19 I THINK, HAD A GOOD OPPORTUNITY TO TRY TO DETERMINE THE  
20 VITALITY. AND I THINK THIS WAS A REAL KEY QUESTION.  
21 THE VITALITY OF THE RELATIONSHIP BETWEEN THE  
22 EXPERIENCED INSTITUTION, WHICH ALMOST HAS A MENTORING  
23 ROLE, AND THE INSTITUTION THAT IS TRYING TO EMERGE IN  
24 THIS FIELD. AND I THINK THAT IF YOU CAME TO A  
25 CONCLUSION -- IF THAT GROUP HAD BEEN THERE, WE MIGHT

1 HAVE HAD A DIFFERENT OUTCOME AT THE WORKING GROUP.

2 CHAIRMAN KLEIN: THANK YOU. AND --

3 DR. BALTIMORE: I'VE LOOKED THROUGH, AND,  
4 JEFF, THIS IS REALLY A QUESTION FOR YOU, I THINK. I  
5 LOOKED AT THIS AND A NUMBER OF THE OTHERS THAT WE  
6 DISCUSSED IN CLOSED SESSION. AND I FIND IN THE RECORD  
7 A STATEMENT THAT THERE WAS AN EXPLICIT VOTE TAKEN ABOUT  
8 WHETHER IT SHOULD BE FUNDED OR NOT INDEPENDENT OF  
9 SCORES. IT SAYS HERE THAT THE MOTION TO RECOMMEND THAT  
10 THIS SHARED LABORATORY APPLICATION NOT BE FUNDED  
11 PASSED. I DON'T KNOW WHO WAS IN THAT VOTE, WHETHER IT  
12 WAS JUST THE WORKING GROUP MEMBERS OR -- I MEAN JUST  
13 THE OUTSIDE SCIENTISTS OR WHETHER IT INCLUDED EVERYBODY  
14 WHO WAS THERE. IS IT JUST THE OUTSIDE SCIENTISTS?

15 MR. SHEEHY: NO. IT'S ACTUALLY BOTH.

16 DR. BALTIMORE: SO IT'S EVERYBODY WHO WAS  
17 THERE. SO IT SEEMS TO ME THAT WHEN THAT VOTE HAS BEEN  
18 TAKEN EXPLICITLY, NEVER MIND SCORES, THAT IT SETS A  
19 VERY HIGH BAR FOR THIS COMMITTEE TO CHANGE THAT  
20 RECOMMENDATION BECAUSE THERE HAS BEEN A GROUP WHO SPENT  
21 MUCH LONGER THAN WE'RE GOING TO SPEND AND HAVE GONE  
22 INTO IT MUCH MORE DEEPLY. I'M NOT SAYING WE SHOULDN'T  
23 EVER CHANGE. WE DID CHANGE ONE RECOMMENDATION ALREADY.  
24 WE CERTAINLY HAVE THAT POWER AND OUGHT TO CONSIDER  
25 EXERCISING THAT POWER, BUT IT SEEMS TO ME THAT WHEN

1       THERE HAS BEEN AN EXPLICIT VOTE TAKEN TO THAT, IT ISN'T  
2       AN ARBITRARY DECISION ABOUT A NUMBER, AND THAT WE  
3       SHOULD BE VERY CAREFUL ABOUT COUNTERVENING THAT BECAUSE  
4       WE REALLY UNDERCUT THE WHOLE PROCESS.

5                 MR. SHEEHY:  MAYBE I CAN ADD A LITTLE  
6       ADDITIONAL TEXTURE.  I WOULD REMIND US THAT WE DO HAVE  
7       THE MECHANISM OF A MINORITY REPORT.

8                 DR. BALTIMORE:  BUT THERE ISN'T ONE HERE.

9                 MR. SHEEHY:  EXACTLY.  SO TO KIND OF GIVE YOU  
10      A SENSE OF WHAT THE VOTE WAS, THERE WAS NOT 35 PERCENT  
11      OF THE WORKING GROUP THAT SUPPORTED MOVING THIS  
12      FORWARD.

13                DR. BALTIMORE:  THERE WAS NOT 35 PERCENT?

14                MR. SHEEHY:  THERE WAS NOT 35 PERCENT.  SO  
15      WHATEVER VOTE WAS TAKEN IN THE WORKING GROUP, THE  
16      THRESHOLD OF THE AYES WAS BELOW 35 PERCENT, OR THERE  
17      WOULD HAVE BEEN A MINORITY REPORT.

18                DR. BALTIMORE:  SO IT WAS A STRONG VOTE IS  
19      WHAT YOU'RE SAYING.

20                MR. SHEEHY:  I'M SAYING THAT IT WAS AT LEAST  
21      65 PERCENT.

22                CHAIRMAN KLEIN:  I WOULD LIKE TO POINT OUT  
23      THE SUMMARY HERE IS THAT THE SCIENCE SHOWED GREAT  
24      PROMISE.  THE VOTE SETTLED ON THE ISSUE IN SIGNIFICANT  
25      PART ON THE MANAGEMENT PLAN AS A WEAKNESS, SOMETHING

1 THAT CAN BE DEALT WITH IF IDENTIFIED AND FOCUSED WITH  
2 THE INSTITUTION.

3 DR. AZZIZ: I JUST WANTED TO COMMENT. I  
4 THINK DR. BALTIMORE'S CONCERN IS A LEGITIMATE ONE. OF  
5 COURSE, WHEN WE REVIEWED THE GRANT, WE TOOK THAT  
6 CONCERN INTO CONSIDERATION. BUT I DO WANT TO REMIND US  
7 THAT WHAT'S HAPPENED WITH THIS IS THAT THE GRANTS  
8 REVIEWED AND THE GROUP A PRIORI SET A FUNDING LIMIT.  
9 THEY DECIDED THAT THEY WERE GOING TO FUND X AND Y, BUT  
10 IT IS OUR JOB TO SET UP THE FUNDING LIMIT.

11 SO THEY DID BLACK AND WHITE, YES FUND, NO  
12 FUND, BECAUSE THEY ASSUMED A FUNDING LIMIT THAT WAS  
13 MUCH HIGHER THAN PERHAPS THE RESOURCES AVAILABLE OR  
14 WHAT WE WOULD BE CONCERNED ABOUT THE STATE. SO I WOULD  
15 TAKE THAT WITH A GRAIN OF SALT, THEIR RECOMMENDATION  
16 NOT TO FUND. OF COURSE, IF YOU LOOK AT THE REASONS  
17 THAT THEY DECIDED NOT TO FUND, IT WAS THE LACK OF  
18 EXPERIENCE IN MANAGING THESE TYPE OF CENTERS. BUT,  
19 AGAIN, THERE IS NOT MANY OF THESE CENTERS TO MANAGE IN  
20 THE FIRST PLACE, SO IT'S SORT OF A CATCH 22.

21 I JUST WANT TO REMIND THAT WE DO HAVE THAT  
22 POWER.

23 DR. BALTIMORE: I DON'T UNDERSTAND WHAT YOU  
24 JUST SAID. YOU SAID THERE WAS AN ARBITRARY DECISION  
25 MADE ABOUT WHAT NUMBER OF GRANTS TO FUND?

1 DR. AZZIZ: WHEN THE GROUPS MADE THIS  
2 DECISION, IT APPEARS TO ME THAT THEY THEMSELVES DECIDED  
3 ON A FUNDING LEVEL.

4 DR. BALTIMORE: YOU WERE PART OF THAT GROUP.

5 DR. AZZIZ: I WAS NOT PART OF THAT GROUP, NO.  
6 NO, I WAS NOT. THAT'S WHAT I'M SAYING.

7 DR. BALTIMORE: HOW DID IT APPEAR TO YOU THAT  
8 THEY DID THAT?

9 DR. AZZIZ: THE GROUP, THE CONSULTING GROUP,  
10 THIS GRANTS REVIEW GROUP, BOTH FACILITY AND GRANTS  
11 WORKING GROUPS, CAME TO A DECISION ABOUT WHICH GRANTS  
12 THEY WOULD FUND. THAT DOES NOT TAKE INTO CONSIDERATION  
13 THE REST OF THE THINGS THAT THIS COMMITTEE NEEDS TO DO,  
14 WHICH IS TO UNDERSTAND WHAT AMOUNT OF RESOURCES WE'RE  
15 GOING TO PUT INTO SEEDING LESS EXPERIENCED GROUPS IN  
16 THE STATE AND SO ON. THAT'S OUR DECISION, NOT THEIR  
17 DECISION.

18 CHAIRMAN KLEIN: DR. PENHOET.

19 DR. PENHOET: I JUST THOUGHT I'D LIKE TO ASK  
20 THE FACILITIES WORKING GROUP, THIS GOT THE CO-HIGHEST  
21 SCORE FROM THE FACILITIES WORKING GROUP. AND ALL THE  
22 DISCUSSION WE'VE HAD SO FAR IS ABOUT THE SCORE FROM THE  
23 SCIENTIFIC WORKING GROUP. SO WHERE DO WE HEAR FROM THE  
24 FACILITIES WORKING GROUP? WHY DID THIS SCORE GET --  
25 WHY DID THE FACILITIES WORKING GROUP SCORE THIS AT 91?

1 MR. SHEEHY: IT DID NOT SCORE HIGH IN THE  
2 FACILITIES WORKING GROUP. IT FELL BELOW THE LINE.

3 CHAIRMAN KLEIN: BUT WE SHOULD HEAR FROM THE  
4 FACILITIES WORKING GROUP. TECHNICAL STAFF, RICK.

5 MR. KELLER: THE FACILITIES GROUP REVIEWED  
6 THIS PROJECT WHICH BASICALLY TAKES AN EXISTING BUILDING  
7 AND CREATES SPACE THAT'S CURRENTLY COVERED, BUT NOT  
8 ENCLOSED, AND CREATES A LAB SPACE IN ABOUT NINE ROOMS  
9 ASSOCIATED WITH LABORATORY AND SUPPORT SPACE.

10 THERE WERE TECHNICAL ISSUES ASSOCIATED WITH  
11 THIS PROPOSAL IN THAT THE MATCHING FUNDS THAT WERE  
12 CITED WERE NOT DEEMED TO BE APPROPRIATE TO THE  
13 REQUIREMENTS OF THE RFA. THEY HAD IDENTIFIED ABOUT  
14 \$440,000 OF QUALIFYING MATCHING FUNDS FROM PRIOR  
15 EXPENDITURES, WHICH IS ALLOWED UNDER THE RFA.

16 IN OUR LETTER, AS WE MENTIONED LAST EVENING,  
17 THE FACT THAT THE FACILITIES WORKING GROUP DECIDED THAT  
18 WHERE THERE WAS A CURABLE DEFICIENCY, THAT WE WOULD  
19 PROCEED TO ASK THEM TO RESPOND TO THAT. AND WHAT THEY  
20 RESPONDED WITH WAS A MORE EXTENSIVE EVALUATION OF  
21 MATCHING FUNDS WHICH AMOUNTS TO \$1.4 MILLION, INCLUDING  
22 EQUIPMENT PURCHASES ASSOCIATED WITH STEM CELL RESEARCH.  
23 SO WE ACTUALLY WENT QUITE A BIT HIGHER BASED ON THE  
24 CURATIVE INFORMATION.

25 IN TERMS OF THE ACTUAL REVIEW BY THE



1 COMMITTEE, THERE WAS CONCERN THAT THERE WASN'T ENOUGH  
2 DETAIL ABOUT THE COST ESTIMATE, THAT THERE WAS NOT  
3 ENOUGH BREAKDOWN ASSOCIATED WITH THAT, BUT HISTORICAL  
4 PERFORMANCE WAS ONE OF THE CATEGORIES OF EVALUATION.  
5 AND THERE WAS A SENTIMENT THAT THAT COULD HAVE BEEN  
6 BETTER. THERE WAS JUST A GENERAL IDEA THAT THIS WAS  
7 KIND OF IN ITS INFANCY. THAT WAS THE STATEMENT.

8 CHAIRMAN KLEIN: I'D LIKE TO ALSO SET THE  
9 CONTEXT HERE, THAT THE SHARED LABS WERE DESCRIBED IN  
10 CONTEXT AS ONE OF OUR OPPORTUNITIES TO EXPAND CAPACITY  
11 WITHIN THE STATE AT A RELATIVELY LOW PRICE. THE MAJOR  
12 FACILITIES THAT WE'RE GOING INTO FOR LARGE GRANTS, WE  
13 DON'T HAVE THAT CAPACITY. AND ONE OF THE THINGS THAT  
14 WAS DISCUSSED WITH BOTH WORKING GROUPS IS THAT THE  
15 BOARD, GIVEN THE GENERAL DESIRE TO EXPAND ACROSS THE  
16 STATE, WOULD LOOK AT THIS PARTICULAR ROUND OF GRANTS IN  
17 THAT CONTEXT. WHEREAS, THERE'S TREMENDOUS RIGOR IN THE  
18 COMPREHENSIVE GRANT ROUND WE PREVIOUSLY CAME OUT OF AND  
19 VERY SUBSTANTIAL DISCIPLINE IN MAKING CERTAIN THAT THEY  
20 HAD TOTALLY WELL-ESTABLISHED AND EXPERT LEADERSHIP. IN  
21 THIS ROUND THERE WAS A QUESTION THAT WE WOULD PERHAPS  
22 NEED IN MANY CASES TO SEE THAT THERE WAS MENTORING OF  
23 NEW FACILITIES THAT WERE GROWING BY EXISTING  
24 FACILITIES.

25 DR. PIZZO: YOU'VE ACTUALLY JUST ADDRESSED

1 WHAT I WAS GOING TO SAY. THANK YOU. MY COMMENTS WERE  
2 CONGRUENT WITH ONES THAT I DIDN'T MAKE WITH THE ONES  
3 THAT YOU DID MAKE.

4 MR. ROTH: I WANT TO MAKE A GENERAL COMMENT.  
5 PERHAPS THIS IS NOT THE BEST ONE TO SELECT TO HAVE OUR  
6 INITIAL DISCUSSION ON. BUT THE GENERAL COMMENT IS THAT  
7 I THINK WE HAVE TO BE AS GENEROUS AS WE CAN WITH THESE  
8 GRANTS FOR A COUPLE OF REASONS. ONE, WE'RE TWO YEARS  
9 LATE WHEN WE HAD HOPED TO GET THIS GOING. TWO, THE  
10 FUNDING FOR THE LARGE FACILITIES IS CERTAINLY DOWN THE  
11 ROAD TILL THEY ACTUALLY ARE FUNCTIONAL. THE SAME WITH  
12 ANY NIH FUNDING THAT MAY COME ON THE SCENES.

13 SO THERE'S GOING TO BE A PRETTY BIG PERIOD OF  
14 TIME HERE WHERE WE'RE GOING TO HAVE TO RELY ON THESE  
15 LABS TO SUPPORT THE RESEARCH. AND SO WHILE I RESPECT  
16 TREMENDOUSLY THE INTEGRITY OF THIS PROCESS, I THINK WE  
17 HAVE TO REALLY EXAMINE EACH OF THESE THAT SCORED  
18 REASONABLY HIGH ON THE SCIENTIFIC SIDE VERY CAREFULLY  
19 AND BE AS GENEROUS AS WE CAN.

20 MR. SHEEHY: WELL, THAT KIND OF RAISES IN MY  
21 MIND ANOTHER ISSUE THAT WAS RAISED IN THE PROGRAMMATIC  
22 REVIEW AT THE GRANTS WORKING GROUP, WAS NOT REALLY  
23 CONSIDERED A FACTOR, BUT THERE WAS SOME SENSE -- SOME  
24 OF THE SCIENTISTS DID MENTION THIS AND THOUGHT THAT  
25 THIS MAY BE -- THIS IS ACTUALLY AN ISSUE FOR US AS A

1 BODY, AND IT REFERS TO NEED. AND WHAT IS THE  
2 RELATIONSHIP BETWEEN THE GRANTS WE'VE ALREADY FUNDED TO  
3 AN INSTITUTION BECAUSE WE'VE GONE THROUGH, WHAT, THREE  
4 GRANT CYCLES, AND NOW FACILITIES IN WHICH TO PERFORM  
5 THAT WORK?

6 AND IN THIS PARTICULAR INSTANCE, I THINK THAT  
7 THERE HAVE BEEN SOME GRANTS MADE. I WONDER AS WE START  
8 TO MOVE THROUGH SOME OF THESE THAT ARE AROUND THE  
9 FUNDING LEVEL IN THE SCIENTIFIC REVIEW, IF WE WANT TO  
10 GIVE SOME WEIGHT. WE MIGHT WANT TO ASK STAFF WHAT THE  
11 NUMBER OF APPLICATIONS WERE, WHAT THE NUMBER OF  
12 APPLICATIONS WERE THAT WE'VE APPROVED, WHAT THE GRANTS  
13 ARE BECAUSE IT DOES KIND OF, JUST LIKE TALKING IN THE  
14 HALLWAY, IT DOES KIND OF SAY, HERE, WE'LL GIVE YOU ALL  
15 THIS MONEY TO DO SCIENCE, BUT WE'RE NOT GOING TO GIVE  
16 YOU MONEY FOR THE LAB TO DO IT IN, AND WE KNOW THAT YOU  
17 CAN'T DO IT IN ANY LAB THAT'S BEEN FUNDED BY NIH OR HAS  
18 ANY NIH CONNECTION.

19 SO I DO THINK THAT THERE IS -- I THINK THAT'S  
20 OUR ISSUE TO KIND OF WEIGH THIS PARTICULAR INSTANCE.

21 MR. SHESTACK: CAN I JUST WEIGH IN ON THE  
22 SAME THING? THIS IS ONLY TO SOME EXTENT A COMPETITIVE  
23 SPORT. AFTER THAT, OUR JOB IS TO REALLY TO SOME EXTENT  
24 MAKE SURE THAT EVERY INSTITUTION THAT CAN WIN IN THE  
25 STATE OF CALIFORNIA WINS AND THE PATIENT POPULATION

1 WINS. SO WHEN WE'RE TALKING ABOUT NOT HUGE AMOUNTS OF  
2 MONEY TO BUILD CAPACITY AT AN INSTITUTION THAT HAS  
3 ALREADY GOTTEN TWO SEED GRANTS, TO NOT NECESSARILY GIVE  
4 THEM THE TOOLS TO SUCCEED MIGHT NOT MAKE SENSE. AND IT  
5 SEEMS LIKE THIS IS ANOTHER FACTOR TO BE TAKEN INTO ON  
6 THESE GRANTS ON THE MARGIN.

7 CHAIRMAN KLEIN: DR. PRIETO.

8 DR. PRIETO: JUST FROM MY PARTICIPATION IN  
9 THE ONE STANDARDS WORKING GROUP MEETING --

10 CHAIRMAN KLEIN: STANDARDS OR FACILITIES?

11 DR. PRIETO: STANDARDS. SCIENCE. I'M SORRY.  
12 THAT THIS WAS A VERY EXPLICIT POINT THAT WAS MADE, THAT  
13 THIS WAS SOMETHING THAT WOULD BE DEFERRED TO THE ICOC  
14 BECAUSE QUESTIONS LIKE NEED AND PROVIDING THESE  
15 FACILITIES HAD TO BE RESOLVED AT THIS LEVEL AND NOT  
16 THERE. I'M CONCERNED THAT WE DON'T WANT TO ONLY FUND  
17 THE SAME, IF WE WANT TO CALL THEM, VERY TOP TIER  
18 INSTITUTIONS THAT ARE ALREADY DOING THIS RESEARCH AND  
19 NOT MAKE IT POSSIBLE FOR THE RESEARCH TO EXPAND AND GO  
20 FORWARD AT MORE INSTITUTIONS IN THE STATE. IF WE WANT  
21 TO ADVANCE STEM CELL RESEARCH IN CALIFORNIA, I THINK WE  
22 NEED TO GO FURTHER THAN THAT.

23 CHAIRMAN KLEIN: SO WE'RE ADDRESSING A  
24 LIMITING FACTOR HERE; BUT, WHEREAS, THE RESEARCH GRANTS  
25 ARE EXTREMELY COMPETITIVE AND RIGOROUS, THIS IS A

1 CAPACITY BUILDING THAT MAY ENABLE THESE PROMISING YOUNG  
2 SCIENTISTS TO THEN BE COMPLETELY COMPETITIVE IN THE  
3 HIGHLY DISCIPLINED GRANT FOR MEDICAL RESEARCH, I THINK,  
4 IS WHERE YOU WERE GOING, DR. PRIETO.

5 DR. PIZZO: JUST UNDERSCORE, I THINK THIS IS  
6 IN PART WHAT WE'RE SAYING A CHICKEN AND EGG STORY. WE  
7 DON'T -- IF THERE AREN'T THE FACILITIES TO DO THE WORK,  
8 THERE'S A RATE LIMITING STEP THAT EVEN THE NASCENT  
9 SCIENCE IS NOT GOING TO BE ABLE TO ACCOMPLISH. I THINK  
10 WE'VE SAID IT IN DIFFERENT WAYS, AND I THINK THIS IS  
11 CERTAINLY WITH GOOD SCIENCE A VALID USE OF RESOURCES.

12 CHAIRMAN KLEIN: ALL RIGHT. ARE THERE PUBLIC  
13 COMMENTS ON THIS APPLICATION? SEEING NO PUBLIC  
14 COMMENTS, I'D LIKE TO CALL THE QUESTION. ACCEPTABLE TO  
15 THE BOARD. MELISSA, READ THE ROLL. REMEMBER TO STATE  
16 YOUR VOTE WITH THE EXCEPTION OF ANY ITEM IN WHICH YOU  
17 HAVE RECUSED YOURSELF.

18 DR. AZZIZ: WE NEED A MOTION.

19 MS. KING: ACTUALLY THERE IS A MOTION ON THE  
20 TABLE, AND IT'S WITH REGARD TO A SPECIFIC APPLICATION.  
21 THE MOTION WAS FROM DR. AZZIZ REGARDING APPLICATION  
22 508. THE SECOND WAS DR. WRIGHT. IN THIS CASE, SINCE  
23 WE'RE VOTING ON JUST ONE APPLICATION --

24 CHAIRMAN KLEIN: IF ANYONE IS RECUSED FROM  
25 THIS, THEY NEED TO STATE WHEN THEY VOTE. ARE THERE ANY

1 RECUSALS ON THIS ITEM?

2 MS. PACHTER: YOU WON'T BE CALLING THEM.

3 CHAIRMAN KLEIN: I'LL HAVE THEM REPEAT IT.

4 SO THE MOTION IS ON 508 TO MOVE IT FROM ITS EXISTING

5 POSITION TO TIER 1 FOR FUNDING. IS THAT A CORRECT

6 STATEMENT?

7 MS. PACHTER: YES.

8 MS. KING: THE RECUSALS ARE DR. DUCKLES,

9 SHERRY LANSING, AND DR. STEWARD.

10 CHAIRMAN KLEIN: SO THERE ARE RECUSALS.

11 THANK YOU.

12 MS. KING: RICARDO AZZIZ.

13 DR. AZZIZ: APPROVE.

14 MS. KING: DAVID BALTIMORE.

15 DR. BALTIMORE: NO.

16 MS. KING: ROBERT PRICE.

17 DR. PRICE: APPROVE.

18 MS. KING: DAVID BRENNER.

19 DR. BRENNER: NO.

20 MS. KING: MICHAEL FRIEDMAN.

21 DR. FRIEDMAN: YES.

22 MS. KING: FRANK MARKLAND.

23 DR. MARKLAND: APPROVE.

24 MS. KING: DAVID KESSLER.

25 DR. KESSLER: APPROVE.

1 MS. KING: BOB KLEIN.  
2 CHAIRMAN KLEIN: APPROVE.  
3 MS. KING: GERALD LEVEY.  
4 DR. LEVEY: APPROVE.  
5 MS. KING: ED PENHOET.  
6 DR. PENHOET: YES.  
7 MS. KING: PHIL PIZZO.  
8 DR. PIZZO: APPROVE.  
9 MS. KING: CLAIRE POMEROY.  
10 DR. POMEROY: YES.  
11 MS. KING: FRANCISCO PRIETO.  
12 DR. PRIETO: YES.  
13 MS. KING: DUANE ROTH.  
14 MR. ROTH: YES.  
15 MS. KING: JEFF SHEEHY.  
16 MR. SHEEHY: ABSTAIN.  
17 MS. KING: JON SHESTACK.  
18 MR. SHESTACK: YES.  
19 MS. KING: JANET WRIGHT.  
20 DR. WRIGHT: YES.  
21 CHAIRMAN KLEIN: THANK YOU. WHILE THEY'RE  
22 TABULATING, I WOULD LIKE TO, BEFORE DR. PIZZO MOVES FOR  
23 A MOMENT, GIVEN THE RECUSALS AND THE ABSTENTIONS ON THE  
24 PRIOR MOTION, THAT WE MOVED ALL OF TIER 1 AND TWO OF  
25 THE TIER 2 INTO TIER 1 FOR FUNDING, WE NEED TO REPEAT

1 THAT MOTION AND REPEAT THAT VOTE TO GIVE OURSELVES AN  
2 EXTRA MARGIN GIVEN THE NUMBER OF RECUSALS AND  
3 ABSTENTIONS. SO WOULD SOMEONE LIKE TO RESTATE THE  
4 MOTION?

5 MS. KING: BEFORE WE DO THAT, I JUST WOULD  
6 LIKE TO ANNOUNCE, FIRST OF ALL, I STAND CORRECTED. THE  
7 SECOND FOR THAT PREVIOUS MOTION WAS DR. POMEROY, AND  
8 THAT MOTION CARRIED WITH 14 YESES, TWO NOES, AND ONE  
9 ABSTENTION.

10 CHAIRMAN KLEIN: THAT'S FINE. I'D LIKE TO,  
11 IF WE CAN, RESTATE THE MOTION TO APPROVE --

12 DR. BALTIMORE: LET ME JUST UNDERSTAND. WHAT  
13 IS A QUORUM?

14 CHAIRMAN KLEIN: IT'S NOT THE QUESTION OF A  
15 QUORUM, DOCTOR. IT'S THE QUESTION THAT --

16 DR. BALTIMORE: WHAT IS A QUORUM FOR VOTING?

17 CHAIRMAN KLEIN: TWO-THIRDS OF THOSE  
18 QUALIFIED TO VOTE. AND THE ISSUE IS THE NUMBER OF THE  
19 QUORUM CHANGES WITH THE ABSTENTIONS.

20 SO WHAT I'D LIKE -- THE RECUSALS. AND THE  
21 ABSTENTIONS DO AFFECT IT AS WELL.

22 I'D LIKE TO ADDRESS THIS VERY SPECIFICALLY  
23 FOR THE RECORD. IS THERE SOMEONE WHO WOULD LIKE TO  
24 REENTER THE MOTION TO APPROVE ALL THOSE THAT ARE IN  
25 TIER 1 FOR FUNDING AND THE STOP TWO THAT WERE IN TIER 2



1 FOR FUNDING? AND IT CAN ONLY BE FROM SOMEONE WHO DOES  
2 NOT HAVE CONFLICTS.

3 DR. PRIETO: SO MOVED.

4 DR. WRIGHT: SECOND.

5 CHAIRMAN KLEIN: SO MOVED FROM DR. PRIETO,  
6 SECOND BY DR. WRIGHT. OKAY.

7 WE HAVE PREVIOUSLY DEBATED THIS ITEM. IS  
8 THERE ANY ADDITIONAL INFORMATION THAT ANY MEMBER OF THE  
9 BOARD WOULD LIKE TO DISCUSS OR COMMENTS OR GENERAL  
10 DISCUSSION? IS THERE ANY MEMBER OF THE PUBLIC THAT  
11 WOULD LIKE TO COMMENT ON THE REVOTE ON THIS ITEM?  
12 SEEING NONE, MELISSA, WILL YOU CALL THE ROLL.

13 MS. KING: RICARDO AZZIZ.

14 DR. AZZIZ: APPROVE EXCEPT FOR THOSE FOR  
15 WHICH I HAVE A CONFLICT.

16 MS. KING: DAVID BALTIMORE.

17 DR. BALTIMORE: APPROVED EXCEPT FOR THOSE  
18 WHERE I HAVE A CONFLICT.

19 MS. KING: ROBERT PRICE.

20 DR. PRICE: APPROVED EXCEPT FOR THOSE IN  
21 WHICH I HAVE A CONFLICT.

22 MS. KING: DAVID BRENNER.

23 DR. BRENNER: APPROVED EXCEPT FOR THOSE I  
24 HAVE CONFLICTS.

25 MS. KING: SUE DUCKLES.

1 DR. DUCKLES: APPROVED EXCEPT FOR THOSE IN  
2 WHICH I HAVE A CONFLICT.

3 MS. KING: MICHAEL FRIEDMAN.

4 DR. FRIEDMAN: APPROVED EXCEPT FOR CONFLICTS.

5 MS. KING: FRANK MARKLAND.

6 DR. MARKLAND: APPROVED EXCEPT FOR THOSE I  
7 HAVE A CONFLICT WITH.

8 MS. KING: DAVID KESSLER.

9 DR. KESSLER: APPROVED EXCEPT FOR THOSE I  
10 HAVE CONFLICTS.

11 MS. KING: BOB KLEIN.

12 CHAIRMAN KLEIN: APPROVED.

13 MS. KING: SHERRY LANSING.

14 MS. LANSING: APPROVED EXCEPT FOR THOSE WHERE  
15 I HAVE A CONFLICT.

16 MS. KING: GERALD LEVEY.

17 DR. LEVEY: APPROVED EXCEPT FOR THOSE IN  
18 WHICH I HAVE A CONFLICT.

19 MS. KING: ED PENHOET.

20 DR. PENHOET: APPROVED EXCEPT FOR THOSE WITH  
21 WHICH I HAVE A CONFLICT.

22 MS. KING: PHIL PIZZO.

23 DR. PIZZO: APPROVED EXCEPT FOR THOSE FOR  
24 WHICH I HAVE A CONFLICT.

25 MS. KING: CLAIRE POMEROY.

1 DR. POMEROY: APPROVED EXCEPT CONFLICTS.  
2 MS. KING: FRANCISCO PRIETO.  
3 DR. PRIETO: APPROVED.  
4 MS. KING: DUANE ROTH.  
5 MR. ROTH: APPROVED.  
6 MS. KING: JEFF SHEEHY.  
7 MR. SHEEHY: APPROVED EXCEPT FOR THOSE WITH  
8 WHICH I HAVE A CONFLICT.  
9 MS. KING: JON SHESTACK.  
10 MR. SHESTACK: APPROVED.  
11 MS. KING: OSWALD STEWARD.  
12 DR. STEWARD: APPROVED EXCEPT FOR CONFLICTS.  
13 MS. KING: JANET WRIGHT.  
14 DR. WRIGHT: APPROVED.  
15 MS. KING: AND THAT MOTION CARRIES  
16 UNANIMOUSLY.  
17 CHAIRMAN KLEIN: THANK YOU. I'D LIKE TO LOOK  
18 TO SEE IF ANY BOARD MEMBER WOULD LIKE TO MAKE A MOTION  
19 ADDRESSING ITEM 506 IN WHICH THERE IS A MINORITY  
20 REPORT.  
21 MR. ROTH: BEFORE WE DO THAT, COULD I ASK IF  
22 IT'S POSSIBLE TO PUT THE SCIENTIFIC SCORES UP THERE?  
23 CHAIRMAN KLEIN: SCIENTIFIC SCORES FOR WHICH  
24 ITEM?  
25 MR. ROTH: IN THE RED BOX.

1                   CHAIRMAN KLEIN: ONLY ON ITEMS IN WHICH WE  
2 HAVE A MOTION. ON 506 --

3                   MR. ROTH: SO THAT WOULD IMPLY I THINK WE  
4 REALLY NEED TO SEE THOSE SCORES UP THERE.

5                   CHAIRMAN KLEIN: ON THE ONES WE HAVE A  
6 MOTION.

7                   MR. ROTH: ARE WE GOING TO GO THROUGH EVERY  
8 ONE, THEN, TO FIND OUT WHAT THE SCORE WAS?

9                   CHAIRMAN KLEIN: IT'S ON THE ONES WE HAVE A  
10 MOTION FOR.

11                  DR. WRIGHT: I MOVE MAKING THE TRANSITION OF  
12 506 INTO TIER 1.

13                  DR. POMEROY: SECOND.

14                  CHAIRMAN KLEIN: OKAY. THE SCIENTIFIC REPORT  
15 WILL BE DONE BY WHOM? BY DR. CHIU. THANK YOU, DR.  
16 CHIU.

17                  MR. HARRISON: WHILE DR. CHIU IS GOING TO THE  
18 MICROPHONE, THE CONFLICTS ARE LANSING AND PIZZO.

19                  DR. CHIU: THIS IS AN APPLICATION WITH  
20 PROMISE WITH RESEARCH EXCELLENCE IN A NUMBER OF AREAS,  
21 BUT THE CRITICAL MASS OF THIS WHOLE INSTITUTION IS NOT  
22 QUITE THERE ACCORDING TO THE REVIEWERS. SO THIS  
23 APPLICATION DID NOT APPEAR IN THE TOP QUARTILE OF  
24 SCORING, ACCORDING WITH ONE REVIEWER.

25                  THE PROPOSED USES HAVE THREE AREAS OF

1 ACADEMIC FOCUS. THEY'RE VERY STRONG IN THESE THREE  
2 AREAS. ONE IS GENE REGULATION, ONE IS EPIGENETIC  
3 MODIFICATION, AND THE THIRD IS NEUROBIOLOGY.

4 THE STEM CELL PROGRAM IS A NASCENT PROGRAM,  
5 BUT THERE IS INSTITUTIONAL COMMITMENT TO BUILD IN THIS  
6 AREA. THIS INSTITUTION HAS REAL STRENGTH, VERY GREAT  
7 STRENGTH IN BIOINFORMATICS, PARTICULARLY IN ONE FACULTY  
8 MEMBER WHO DIRECTS THE CIRM TRAINING GRANT AT THIS  
9 INSTITUTION AND IS A WORLD LEADER IN THIS FIELD. MANY  
10 AGREE THAT BIOINFORMATICS WILL BE IMPORTANT FOR STEM  
11 CELL BIOLOGY AND THAT THIS PARTICULAR INSTITUTION CAN  
12 PROVIDE COMPLEX GENOMICS BIOINFORMATICS RESOURCES.

13 OVERALL, THE CONSTELLATION OF FACULTY IS  
14 GOOD, BUT NOT YET OUTSTANDING EXCEPT FOR THE  
15 BIOINFORMATICS. THEY HAVE TWO INVESTIGATORS APPROVED  
16 FOR CIRM FUNDING AT THIS INSTITUTION.

17 THE PROGRAM DIRECTOR IS A GOOD CHOICE GIVEN  
18 THIS INDIVIDUAL'S EXPERIENCE WITH MOUSE EMBRYONIC STEM  
19 CELLS, BUT DOES NOT HAVE ANY EXPERIENCE WITH HUMAN  
20 EMBRYONIC STEM CELLS. AND THAT'S THE CRUX OF THE  
21 REVIEW. THE GROUP IS VERY NEW AND STARTING FROM  
22 SCRATCH. SIX WORKSTATIONS ARE PLANNED WITHOUT ANY  
23 EXPERT IN HUMAN EMBRYONIC STEM CELLS ON-SITE TO HELP  
24 THEM.

25 THE INSTITUTION PROPOSES TO INTERFACE WITH A

1 VERY KNOWN, NEARBY INSTITUTION FOR OVERSIGHT COMMITTEE  
2 AND FOR ADVICE, BUT THE REVIEWERS FELT IT WAS UNCLEAR  
3 HOW EFFECTIVE THAT INTERACTION TRULY WOULD BE. A  
4 SINGLE TECHNICIAN IS PROPOSED FOR MAINTAINING THE HUMAN  
5 EMBRYONIC STEM CELL LINES AND TO RUN A PIECE OF  
6 EQUIPMENT, FLOW CYTOMETRY. THIS WAS PERCEIVED AS  
7 INSUFFICIENT PERSONNEL. HAVING THE SAME PERSON RUNNING  
8 THE FACS AND CELL CULTURE SUGGESTS INEXPERIENCE SINCE  
9 EACH OF THESE TASKS REALLY NEED DEDICATED PERSONNEL.

10 ONE REVIEWER IS TORN BECAUSE THIS INSTITUTION  
11 REALLY DOES NEED THIS FACILITY. THEY HAVE CIRM  
12 FUNDING, BUT NO LABS TO DO THE WORK IS WHAT WAS  
13 EXPRESSED. THE MANAGEMENT PLAN IS WEAK. QUALITY  
14 CONTROL AND ETC. ARE NOT MENTIONED ADEQUATELY AND GIVES  
15 THE IMPRESSION THE GROUP DOES NOT QUITE YET KNOW WHAT  
16 TO DO. THE PANEL FELT THAT NEED SHOULD NOT BE  
17 CONSIDERED A CRITERION FOR SCIENTIFIC SCORING, AND IT'S  
18 MORE RELEVANT TO A PROGRAMMATIC DISCUSSION.

19 A THIRD REVIEWER IS VERY ENTHUSIASTIC BECAUSE  
20 THIS INSTITUTION COULD BECOME THE MAJOR NEIGHBORING  
21 INSTITUTION'S OUTREACH CENTER, AGAIN POINTING OUT THAT  
22 WITHOUT THIS FUNDING, THEIR RESEARCH IS STYMIED.

23 IN PROGRAMMATIC REVIEW A MOTION WAS MADE TO  
24 RECOMMEND IT NOT BE FUNDED. SEVERAL POINTS WERE  
25 DISCUSSED. OVERALL, THE SCIENCE PROPOSED IS GOOD,

1 MANAGEMENT IS LACKING, AND EXPERIENCE IN HUMAN  
2 EMBRYONIC STEM CELLS ARE LACKING. THE MAIN PROBLEM  
3 WITH THE APPLICATION IS NOT KNOWING HOW TO RUN A HUMAN  
4 EMBRYONIC STEM CELL LAB.

5 ONE QUESTION WAS RAISED ABOUT THE IMPORTANCE  
6 OF BUILDING BIOINFORMATICS. BIOINFORMATICS WAS  
7 HIGHLIGHTED AS A PARTICULAR STRENGTH OF THIS GROUP, AND  
8 THERE WAS SOME DISCUSSION ABOUT THE RELEVANCE OF THIS  
9 APPROACH TO STEM CELL RESEARCH.

10 ONE DISCUSSANT POINTED OUT THAT WHEN DONE  
11 WELL, BIOINFORMATICS COULD BE A TREMENDOUS TOOL IN  
12 MOVING THE FIELD FORWARD. THIS GROUP HAS THE BENEFIT  
13 THAT THEY HAVE SHOWN THEIR ABILITY TO DO THIS AT THE  
14 GENOMIC LEVEL. THEIR BIOINFORMATICS TOOL IS USED  
15 WORLDWIDE. SO THE BIOINFORMATICS EFFORT WILL CONTINUE  
16 WITHOUT THE LAB FUNDING, AND LIKELY IT WOULDN'T BE  
17 IMPACTED ADVERSELY, ONE REVIEWER FELT. BUT HAVING THE  
18 EXPERIMENTALISTS ON CAMPUS WOULD BE VERY HELPFUL.

19 SO THE MOTION WAS TO RECOMMEND IT NOT FOR  
20 FUNDING. HOWEVER, THERE WERE SUFFICIENT VOTES AGAINST  
21 THIS MOTION, THAT A MINORITY REPORT, WHICH MEANS AT  
22 LEAST 35 PERCENT OF THE VOTING GROUP, WAS ADDED. AND I  
23 REPORT THE MINORITY REPORT VERBATIM EXCEPT FOR  
24 IDENTIFIERS BEING REMOVED.

25 THE STRONG SIGNS AND OPPORTUNITY TO RECRUIT

1 UNIQUE BIOINFORMATICS EXPERTISE INTO STEM CELL RESEARCH  
2 AND SUPPORT FUNDED CIRM INVESTIGATORS OVERRIDES THE  
3 WEAKNESS THAT THE LAB DIRECTOR HAS LIMITED HUMAN  
4 EMBRYONIC STEM CELL CULTURE EXPERIENCE. THIS  
5 INDIVIDUAL IS AN EXPERIENCED CELL CULTURE INVESTIGATOR  
6 WHOSE DEFICIT COULD BE ALLEVIATED EITHER BY TRAINING AT  
7 THE NEIGHBORING LARGE INSTITUTION OR BY RECRUITMENT OF  
8 AN ON-SITE INDIVIDUAL EXPERIENCED IN HUMAN EMBRYONIC  
9 STEM CELL RESEARCH.

10 CHAIRMAN KLEIN: THANK YOU, DR. CHIU. AND  
11 FOR CLARIFICATION FOR THE PUBLIC AND THE BOARD MEMBERS,  
12 IT'S MY RECOLLECTION THAT THERE WAS A DOCUMENTARY  
13 LETTER THAT THE WORLD-CLASS INVESTIGATORS WHO WERE  
14 REPORTED BY THIS INSTITUTION TO BE THEIR MENTORING  
15 PARTNER WERE WILLING TO MENTOR THIS ORGANIZATION; IS  
16 THAT CORRECT, THERE WAS DOCUMENTATION?

17 DR. CHIU: THERE WAS EXPRESSED INTEREST, BUT  
18 THERE WAS ALSO CONCERN THAT BECAUSE OF DISTANCE AND  
19 BECAUSE OF THE CONSTRAINTS OF TIME ON WORLD-CLASS  
20 INVESTIGATORS, HOW SERIOUS AND HOW REALLY HELPFUL WOULD  
21 THIS COLLABORATION BE. SO THE MINORITY REPORT GROUP  
22 SUGGESTED MORE EVIDENCE OF MORE HELP.

23 CHAIRMAN KLEIN: WHICH THAT EVIDENCE COULD BE  
24 TAKEN IN DURING THE GRANT ADMINISTRATION POLICY. JEFF  
25 SHEEHY.



1                   MR. SHEEHY: AS WITH THE OTHER ONE, I WAS  
2 GOING TO GIVE A LITTLE BIT OF FLAVOR OF THE  
3 PROGRAMMATIC REVIEW. THE MINORITY REPORT AND THE  
4 EFFORT FOR THE MINORITY REPORT WAS LED BY ONE OF THE  
5 REVIEWERS. AND ONE OF THE REVIEWERS SCORED THIS IN THE  
6 TOP 10 PERCENTILE AND WAS ENTHUSIASTIC ABOUT THIS  
7 PROPOSAL AND FELT QUITE STRONGLY, IRRESPECTIVE OF  
8 WHETHER OR NOT THEY HAD RECEIVED ANY CIRM GRANTS OR  
9 NOT, THAT THIS SHOULD BE FUNDED.

10                   SO THIS PROBABLY DOES REPRESENT OUR FIRST  
11 INSTANCE OF A TRUE MINORITY REPORT WHERE WITHIN THE  
12 SCIENTIFIC MEMBERS, NOW WE HAD VOTING FOR BOTH, BUT  
13 THERE WAS A HEALTHY MIX OF ADVOCATES AND SCIENTIFIC  
14 MEMBERS ON THE MINORITY REPORT, BUT WHERE A MEMBER OF  
15 THE SCIENTIFIC REVIEW, AN ACTUAL REVIEWER OF THE  
16 PROPOSAL, FELT QUITE STRONGLY THAT THIS PROPOSAL SHOULD  
17 BE FUNDED WAS ABLE TO ENLIST THE SUPPORT OF OTHER  
18 SCIENTISTS AND SOME OF THE ADVOCATE MEMBERS IN ORDER TO  
19 CREATE THE MINORITY REPORT AND THEN TOOK PART IN THE  
20 DRAFTING OF THE MINORITY REPORT.

21                   SO AS PERHAPS UNLIKE THE OTHER INSTANCE THAT  
22 WE HAD JUST DISCUSSED, I DO THINK THAT THE QUESTION OF  
23 THE SCIENTIFIC QUALITY OF THIS APPLICATION WAS NOT  
24 FIRMLY DECIDED IN EVERYONE'S MIND AT THE WORKING GROUP.

25                   DR. PRICE: I HAVE REALLY TWO QUESTIONS ABOUT

1 THE NEED ISSUE RATHER THAN COMMENTS. THE FIRST IS, AS  
2 I UNDERSTAND IT, THE MINORITY REPORT STRESSED THE  
3 SCIENCE BASED UPON PREEMINENCE OF THE BIOINFORMATICS  
4 EXPERTISE AT THIS INSTITUTION. BUT DOES THE  
5 BIOINFORMATICS WORK AND THIS PARTICULAR INDIVIDUAL NEED  
6 A LABORATORY TO DO -- I SUSPECT NOT. IF HE DOESN'T,  
7 THEN IT SEEMS TO ME THAT THERE'S A DISJUNCTURE BETWEEN  
8 THE MINORITY REPORT'S EMPHASIS ON THE SCIENCE AND THE  
9 GRANT THAT WE'RE FUNDING.

10 SECOND QUESTION ABOUT THE NEED RELATES TO THE  
11 FACT THAT WE HAVE ALREADY PROVIDED TWO SEED GRANTS AND  
12 THE STATEMENT THAT THE RESEARCHERS, THEREFORE, NEED THE  
13 LABORATORY TO EXECUTE THE RESEARCH THAT WE'VE ALREADY  
14 FUNDED. HERE MY QUESTION IS DO WE HAVE SPECIFIC  
15 INFORMATION THAT THE KIND OF RESEARCH THAT WE'RE  
16 FUNDING IN THE SEED GRANTS ACTUALLY IS GOING TO USE THE  
17 TYPE OF EQUIPMENT THAT THEY'RE PURCHASING IN THE LAB?

18 MR. SHEEHY: LET ME JUST TAKE ON THE FIRST  
19 QUESTION. THIS WAS A STEM CELL RESEARCHER THAT THOUGHT  
20 THAT THIS EFFORT IN BIOINFORMATICS WOULD BE FACILITATED  
21 BY ASSOCIATION WITH THE LAB. I DON'T HAVE THE ABILITY  
22 TO EVALUATE WHETHER THEY NEED A LAB OR NOT TO DO THAT.

23 THIS RESEARCHER FELT QUITE STRONGLY THAT IT  
24 WOULD BE FACILITATED BY HAVING THAT LAB THERE. AND SO  
25 THIS IS BASED ON ORIGINAL REVIEW OF THE APPLICATION,

1 CHALLENGE BY OTHER FOLKS, WHO OBVIOUSLY DIDN'T AGREE  
2 WITH THIS PARTICULAR RESEARCHER, NOT NECESSARILY ON  
3 THAT ASPECT. I THINK THE MAIN POINT OF CONTENTION WAS  
4 THE LACK OF EXPERIENCE. I THINK IN A PERVERSE WAY THE  
5 STATURE OF THE COLLABORATORS HAD A NEGATIVE IMPACT ON  
6 THEIR FEELING THAT THE COLLABORATORS WOULD ACTUALLY  
7 PARTICIPATE BECAUSE THEIR STATURE WAS SO HIGH. IT'S  
8 LIKE YOU'VE GOT TO BE KIDDING. ARE THEY REALLY GOING  
9 TO COME OVER HERE AND HELP YOU SET UP YOUR LAB?

10 AND THIS WAS ONE THAT, IF THAT WERE INDEED  
11 TRUE, YOU CAN IMAGINE THIS BEING A VERY NICE MARRIAGE  
12 BETWEEN RESEARCHERS OF VERY, VERY HIGH STATURE IN A  
13 PARTICULAR AREA OF INQUIRY THAT WOULD BE CRITICAL TO  
14 THE FIELD MOVING FORWARD IF IT WAS INTEGRATED INTO THIS  
15 EFFORT, BUT THAT THAT WAS NOT CLEAR TO THEM FROM THE  
16 DOCUMENTS THAT THEY HAD IN FRONT OF THEM.

17 THE SECOND ISSUE ON THE NEED, THAT WAS NOT A  
18 WORKING GROUP ISSUE. THEY KICKED THAT UP TO US. AND  
19 THOSE QUESTIONS THAT YOU'RE ASKING, YOU KNOW, WE  
20 PROBABLY NEED TO DECIDE WHEN WE MAKE GRANTS TO FOLKS  
21 WHETHER WE'RE JUST HOPING THAT THEY HAVE NIH-FREE SPACE  
22 ON CAMPUS, WHETHER WE WANT TO FACILITATE THE ABILITY  
23 FOR THEM TO DO THE RESEARCH THAT WE FUND IN NIH-FREE  
24 SPACE. THEY HAVE A COUPLE OF SEEDS. I THINK THEY ALSO  
25 HAVE A TRAINING GRANT. I DON'T KNOW HOW MANY GRANTS

1       THEY HAVE IN TOTAL.

2                   DR. CHIU:  JUST LOOKING AT THE CONFIDENTIAL  
3       REVIEW WHERE NAMES OF RESEARCHERS ARE IDENTIFIED, AND  
4       THE REVIEWERS STATE THAT WHILE THE WORK ON GENE  
5       REGULATORY NETWORKS, IT IS NOT CLEAR WHETHER THE WORK  
6       OF THESE INVESTIGATORS WORKING ON GENE REGULATORY  
7       NETWORKS REQUIRE THE USE OF HUMAN EMBRYONIC STEM CELLS  
8       AND WHETHER THEY WOULD BE USING LINES THAT ARE NOT  
9       APPROVED FOR FEDERAL FUNDING.  THAT WAS RAISED.  
10      HOWEVER, THE WORK ON NEUROBIOLOGY, THE REVIEWERS ALSO  
11      WRITE THAT FOR THESE NEUROBIOLOGY STUDIES, HUMAN  
12      EMBRYONIC STEM CELLS THAT ARE NOT APPROVED FOR FEDERAL  
13      FUNDING WILL NEED TO BE USED.

14                   SO I TAKE IT FROM THE COMMENTS THAT SOME OF  
15      THE STUDIES MAY NOT NEED NONAPPROVED LINES; BUT FOR THE  
16      NEUROBIOLOGY STUDIES, THE REVIEWER STATES THAT THEY  
17      WILL NEED NONAPPROVED LINES.  AND IF THEY USE  
18      NONAPPROVED LINES, CLEARLY THEY CANNOT USE IT IN NORMAL  
19      SPACE.  THAT'S JUST RESPONSE TO THE QUESTION.

20                   CHAIRMAN KLEIN:  OKAY.  WE NEED TO SEE WHERE  
21      WE ARE HERE.  HAVE WE MOVED TO A POINT WHERE WE CAN GET  
22      PUBLIC COMMENT HERE?

23                   DR. STEWARD:  CAN I JUST -- I APPRECIATE YOUR  
24      LAST COMMENT.  LET ME JUST SAY I ATTENDED THIS MEETING  
25      OF THE GRANTS WORKING GROUP.  AND IT'S BACK TO THE

1 QUESTION OF, YES, THEY MAY NEED UNAPPROVED LINES, BUT  
2 DO THEY NEED THE UNAPPROVED LINES GROWING LOCALLY, OR  
3 IS THIS BIOINFORMATICS EFFORT THAT REALLY IS THE  
4 CENTERPIECE OF THE SCIENTIFIC PRIORITY, IS THAT  
5 SOMETHING THAT CAN WORK WITH INFORMATION THAT IS  
6 AVAILABLE?

7 DR. CHIU: THAT WAS NOT ADDRESSED IN THE  
8 REVIEW SPECIFICALLY, THAT QUESTION.

9 DR. STEWARD: IF I COULD JUST MAKE -- I  
10 ACTUALLY WANT TO REITERATE THE COMMENT THAT DR.  
11 BALTIMORE MADE. AND I WAS IN ATTENDANCE AT THIS  
12 WORKING GROUP MEETING, EXCEPT FOR THE GRANTS FOR WHICH  
13 I HAD A CONFLICT, AND I HAVE TO SAY, AGAIN, THAT THIS  
14 WAS A VOTE NOT TO FUND. AND IT DIFFERS FROM WHAT WE  
15 HAVE SEEN BEFORE WHERE THERE WAS A TIER OF GRANTS THAT  
16 DIDN'T MAKE IT INTO THE HIGHER SCORES. THIS WAS AN  
17 EXPLICIT THAT THIS DIDN'T MEET THE SORT OF MINIMAL  
18 SCIENTIFIC CRITERIA FOR FUNDING.

19 I WANT TO SAY THAT BECAUSE I THINK THAT THAT  
20 REALLY DOES MEAN IT SHOULD BE A VERY HIGH BAR FOR US TO  
21 BRING THAT OVER.

22 CHAIRMAN KLEIN: I THINK IT'S VERY IMPORTANT,  
23 I WAS THERE AS WELL, THAT WE FOCUS ON THE FACT THERE'S  
24 NOT AN ISSUE THAT THE SCIENCE COULD MERIT THE FUNDING,  
25 ALTHOUGH THIS WAS A YOUNG INSTITUTION IN THIS FIELD.

1 IT WAS AN ISSUE OF WHETHER THE MENTORING WOULD BE  
2 ADEQUATE. AND FOR US NOT TO TAKE TWO WORLD-CLASS  
3 SCIENTISTS WRITING A LETTER OF SUPPORT SAYING THAT THEY  
4 WERE PREPARED TO MENTOR IN A ROUND WHERE WE'RE TRYING  
5 TO EXPAND CAPACITY, AND SO WE'RE GOING TO ERR ON THE  
6 SIDE OF NOT BELIEVING TWO WORLD-CLASS SCIENTISTS WHO  
7 ARE COMMITTED FOR THEMSELVES AND THEIR STAFFS TO MENTOR  
8 THIS INSTITUTION. THAT'S A PRETTY HIGH BAR FOR US TO  
9 JUMP, TO HOLD THOSE PEOPLE AND NOT TAKE THAT LETTER  
10 INTO ACCOUNT BECAUSE THAT IS THE WEAKNESS ON THIS  
11 APPLICATION.

12 DR. BALTIMORE: CAN WE HEAR THIS LETTER?

13 MR. SHEEHY: CAN I JUST MAKE ONE QUICK POINT?  
14 I SUPPORT DR. BALTIMORE'S POINT, BUT I THINK THIS IS AN  
15 EXCEPTION BECAUSE OF THE MINORITY REPORT. NOW, THIS IS  
16 A NOVEL MECHANISM FOR ME, BUT DOES THIS NOT EXIST AT  
17 THE NIH OR IN OTHER FUNDING MECHANISMS WHERE A  
18 MINORITY? AGAIN, THIS WAS AN EFFORT LED BY A  
19 SCIENTIST. IF I SEE TWO SCIENTISTS WHO STRONGLY DON'T  
20 AGREE, AND SOMEONE WANTS TO DIG IN, I DON'T THINK IT'S  
21 THE SAME AS WHEN THERE IS MORE GENERALIZED CONSENSUS IT  
22 OUGHT NOT TO MOVE FORWARD.

23 SO I DON'T THINK THAT IN THIS PARTICULAR  
24 INSTANCE THAT THE LEVEL OF SCIENTIFIC INTEGRITY THAT WE  
25 MAY BE SACRIFICING BY FUNDING THIS IS THE SAME WITH THE

1 ONE THAT WE JUST FUNDED WHERE THERE WASN'T EVEN A  
2 MINORITY TO SUPPORT FUNDING IT. THERE WAS NO  
3 RESEARCHER STRONGLY ADVOCATING, NO REVIEWER WHO SAID,  
4 "I BELIEVE, I READ THIS. I SCORED IT. AND I'M  
5 STANDING BY MY SCORE," ABLE TO ENLIST OTHER SCIENTISTS  
6 TO SUPPORT THAT SCORING. I MEAN THIS IS COMPLETELY  
7 DIFFERENT, AND WE MAY HAVE TO DECIDE HOW WE WANT TO  
8 DEAL WITH MINORITY REPORTS, BUT I FELT THAT THE SCORE  
9 THAT THE RESEARCHER GAVE, THE STRENGTH OF THE  
10 CONVICTION OF THE RESEARCHER IN THAT SCORE, THE ABILITY  
11 TO WIN OTHER RESEARCHERS TO SUPPORT THAT POSITION  
12 MERITS A LITTLE BIT DIFFERENT CONSIDERATION THAN ONE  
13 WHERE IT WAS COMPLETELY VOTED DOWN.

14 DR. POMEROY: WE'RE STILL LEARNING WHAT THE  
15 PURPOSE AND THE MISSION OF THE SHARED RESOURCE  
16 LABORATORIES REALLY WAS MEANT TO BE. AND MY  
17 INTERPRETATION OF WHAT IT WAS MEANT TO BE WAS THAT WE  
18 HAD A ROLE IN TRYING TO BUILD ACROSS THE STATE ALL THE  
19 DIFFERENT AREAS OF EXPERTISE THAT WERE RELEVANT TO STEM  
20 CELL RESEARCH. AND FROM WHAT I HEARD, THIS BRINGS A  
21 SORT OF NEW AREA. THIS EXPANDS ON A PARTICULAR AREA OF  
22 EXPERTISE THAT IS NOT AVAILABLE ELSEWHERE IN THE STATE  
23 IN THIS SAME WAY.

24 SO ALTHOUGH WE TALKED ABOUT, WELL, YOU KNOW,  
25 PEOPLE NEED LABS. THAT'S ONE PURPOSE FOR THIS.

1 ANOTHER IS THAT WE'RE BUILDING AN ARRAY OF SERVICES AND  
2 EXPERTISE ACROSS THE STATE. AND TO ME THIS ONE SOUNDS  
3 LIKE IT'S ADDING TO THAT RANGE OF EXPERTISE.

4 CHAIRMAN KLEIN: I THINK WE'VE HAD ENOUGH  
5 DISCUSSION UNLESS YOU HAVE A REALLY COMPELLING POINT.

6 DR. STEWARD: IT MIGHT BE. THE POINT IS I  
7 THINK THE REASON THAT THE MINORITY REPORT WAS  
8 GENERATED, AND I HAVE TO SAY THAT ONE OF THE -- IT  
9 SEEMED TO ME, AND, JEFF, YOU COULD COMMENT MORE, THAT  
10 ONE OF THE FRUSTRATIONS OF THE WORKING GROUP WAS THAT  
11 THIS WAS SORT OF A ONETIME ONLY THING. THERE WAS NO  
12 OPPORTUNITY FOR REVISION AND RESUBMISSION. AND I JUST  
13 SAY THAT, FOR WHATEVER IT'S WORTH, IN TERMS OF LOOKING  
14 TOWARD THE FUTURE AND EXACTLY THE KIND OF THING THAT  
15 DR. POMEROY IS TALKING ABOUT, THAT THERE WILL NOT BE AN  
16 OPPORTUNITY TO COME BACK. THAT MAY HAVE BEEN PART OF  
17 THE REASON THAT THERE WAS A SPLINTER IN THIS. I THINK  
18 THIS MIGHT HAVE BEEN ONE THAT UNDER NORMAL  
19 CIRCUMSTANCES IN ANOTHER GRANTING MECHANISM WOULD HAVE  
20 GONE BACK, BE REVISED, PERSON WOULD HAVE GOTTEN  
21 TRAINED. THERE'S NO OPPORTUNITY FOR FIXING THE  
22 PROBLEMS.

23 MR. SHEEHY: I ACTUALLY THINK YOU'RE RIGHT.  
24 THIS IS AN INSTANCE WHERE THERE'S REALLY JUST ONE BIG  
25 QUESTION: WHAT WAS THE QUALITY OF THE RELATIONSHIP



1 WITH THE OTHER INSTITUTION? AND THAT COULD HAVE BEEN  
2 EASILY ADDRESSED IN A RESUBMISSION. AND SO I WOULD  
3 HOPE THAT WHEN WE SPEAK ABOUT MAJOR FACILITIES, THAT WE  
4 EXPLICITLY PUT IN A REAPPLICATION OPPORTUNITY BECAUSE  
5 OF THE COMPLEXITY OF THESE APPLICATIONS, THE COMPLEXITY  
6 OF THE GRANTS. THE COMPLEXITY OF OUR REVIEW PROCESS  
7 SHOULD ALLOW US TO DO THAT, AND I THINK WE'LL GET A  
8 BETTER PRODUCT.

9 CHAIRMAN KLEIN: ALL RIGHT.

10 DR. CHIU: I'M NOT SUGGESTING WE DO ANYTHING  
11 DIFFERENTLY; BUT, OF COURSE, THE ICOC HAS THE AUTHORITY  
12 TO IMPOSE CONDITIONS ON ANY APPLICATION OR ANY GRANT  
13 THAT YOU CHOOSE TO FUND.

14 CHAIRMAN KLEIN: OKAY. THANK YOU. MEMBERS  
15 OF THE PUBLIC LIKE TO COMMENT ON THIS?

16 MR. SIMPSON: JOHN SIMPSON FROM THE  
17 FOUNDATION FOR TAXPAYER AND CONSUMER RIGHTS. ONCE  
18 AGAIN, SCIENTIFIC STAFF, IT SEEMS TO ME, HAS MADE A  
19 BRILLIANT SUGGESTION. AND IT SOUNDS LIKE THIS IS  
20 SPECIFICALLY SOMETHING THAT DOES REQUIRE SOME SPECIFIC  
21 STRINGS TO GO WITH THE MONEY, AND I WOULD SUGGEST THAT  
22 YOU ADD THEM.

23 MR. REED: DON REED. IT SEEMS TO ME THIS  
24 SUMS UP WHAT PROPOSITION 71 WAS ALL ABOUT, TO ESTABLISH  
25 NEW CENTERS OF A BURGEONING NEW FIELD. WE HAVE STRONG

1 SCIENTISTS THAT WANT TO DO THE WORK. WE HAVE SHOWN  
2 THEM THAT WE RESPECT THEIR ABILITIES BY FUNDING, I  
3 BELIEVE, TWO OF THEM AT THAT SITE, AND WE HAVE AN  
4 EXPRESSION OF A DESIRE TO HELP REMEDY WHATEVER  
5 WEAKNESSES MAY BE FROM ACKNOWLEDGED EXPERTS.

6 I THINK THIS IS A CASE TO, IF WE ERR ON THE  
7 ONE SIDE, WE RISK LOSING A PROMISING NEW CENTER. IF WE  
8 ERR ON THE OTHER SIDE, THEY WILL STILL DO SOME  
9 EXCELLENT RESEARCH. I THINK WE SHOULD FUND IT.

10 CHAIRMAN KLEIN: ALL RIGHT. SEEING THAT  
11 DISCUSSION IS OVER, I'D LIKE TO CALL THE ROLL.

12 MS. KING: AGAIN, THE RECUSALS ARE SHERRY  
13 LANSING AND PHIL PIZZO.

14 MS. KING: RICARDO AZZIZ.

15 DR. AZZIZ: APPROVED.

16 MS. KING: DAVID BALTIMORE.

17 DR. BALTIMORE: ABSTAIN.

18 MS. KING: ROBERT PRICE.

19 DR. PRICE: ABSTAIN.

20 MS. KING: DAVID BRENNER.

21 DR. BRENNER: NO.

22 MS. KING: SUE DUCKLES.

23 DR. DUCKLES: ABSTAIN.

24 MS. KING: MICHAEL FRIEDMAN.

25 DR. FRIEDMAN: NO.

1 MS. KING: FRANK MARKLAND.  
2 DR. MARKLAND: APPROVED.  
3 MS. KING: DAVID KESSLER.  
4 DR. KESSLER: APPROVED.  
5 MS. KING: BOB KLEIN.  
6 CHAIRMAN KLEIN: APPROVED.  
7 MS. KING: GERALD LEVEY.  
8 DR. LEVEY: APPROVED.  
9 MS. KING: ED PENHOET.  
10 DR. PENHOET: YES.  
11 MS. KING: CLAIRE POMEROY.  
12 DR. POMEROY: YES.  
13 MS. KING: FRANCISCO PRIETO.  
14 DR. PRIETO: YES.  
15 MS. KING: DUANE ROTH.  
16 MR. ROTH: YES.  
17 MS. KING: JEFF SHEEHY.  
18 MR. SHEEHY: YES.  
19 MS. KING: JONATHAN SHESTACK.  
20 MR. SHESTACK: YES.  
21 MS. KING: OSWALD STEWARD.  
22 DR. STEWARD: ABSTAIN.  
23 MS. KING: JANET WRIGHT.  
24 DR. WRIGHT: APPROVE.  
25 CHAIRMAN KLEIN: OKAY. WHILE WE'RE WAITING

1 FOR THAT VOTE, I'D LIKE TO INTRODUCE THE STATE  
2 CONTROLLER, WHO JUST WALKED OUT FOR JUST A SECOND. HE  
3 BROUGHT HIS DAUGHTER, WHICH IS A GREAT EXAMPLE FOR  
4 EVERYONE BECAUSE THAT'S THE GENERATION THAT WILL BE THE  
5 GREATEST BENEFICIARY OF THIS RESEARCH. BUT THE STATE  
6 CONTROLLER, JOHN CHIANG IS WITH US. WHEN HE COMES BACK  
7 IN, WE WILL RECOGNIZE HIM.

8 DO WE HAVE THE VOTE?

9 MR. HARRISON: THE MOTION CARRIES WITH 12 YES  
10 VOTES, TWO NOES, FOUR ABSTENTIONS.

11 CHAIRMAN KLEIN: ALL RIGHT. I INADVERTENTLY  
12 SKIPPED OVER APPLICATION 502 IN GOING DOWN THE LIST.  
13 AND WAS THERE ANYONE THAT WANTED TO ADDRESS APPLICATION  
14 502?

15 MR. HARRISON: CONFLICTS ON APPLICATION 502  
16 ARE MEMBERS BALTIMORE, BRENNER, AND LANSING.

17 CHAIRMAN KLEIN: ANYONE WANT TO ADDRESS 502?

18 MR. ROTH: I'D LIKE TO SEE THE SCORE ON 502  
19 FOR THE SCIENCE.

20 CHAIRMAN KLEIN? CAN WE SEE THE SCORE ON 502?

21 MR. ROTH: ON THE BASIS OF THAT, I'LL  
22 RECOMMEND THIS FOR FUNDING.

23 CHAIRMAN KLEIN: OKAY. THERE'S A MOTION. IS  
24 THERE A SECOND?

25 DR. POMEROY: SECOND.

1                   CHAIRMAN KLEIN:   SECOND BY DR. POMEROY.  
2                   I WOULD START WITH THE SCIENTIFIC.   LET'S HIT  
3 JUST THE HIGHLIGHTS ON THIS BECAUSE I THINK THE REAL  
4 ISSUE HERE ON THIS ONE IS A MISUNDERSTANDING OF THE  
5 FACILITIES INFORMATION THAT WAS BEFORE THE SCIENTIFIC  
6 WORKING GROUP.   AND SO LET'S JUST HIT THE SCIENTIFIC  
7 HIGHLIGHTS.   I BELIEVE THIS WAS DOWNGRADED BECAUSE OF A  
8 CONCERN WHETHER IT RESPONDED FULLY TO THE SHARED LAB  
9 REQUEST OR WHETHER THIS WAS GOING TO BE A LAB ONLY FOR  
10 A SINGLE INSTITUTION.

11                  DR. SAMBRANO:   SO THIS APPLICATION FOR A  
12 SHARED LAB IS INTENDED TO FOCUS ON IDENTIFICATION OF  
13 SYNTHETIC SMALL MOLECULES THAT REGULATE SELF-RENEWAL  
14 AND DIFFERENTIATION.   SO A LOT OF HIGH THROUGHPUT  
15 SCREENING OF SMALL MOLECULES.

16                  THE INSTITUTION DOES NOT CURRENTLY HAVE A  
17 SAFE-HAVEN FACILITY, AND SO ARE PROPOSING A 1,000  
18 SQUARE FOOT FACILITY FOR THIS PURPOSE THAT WOULD SERVE  
19 ABOUT 30 INVESTIGATORS.

20                  THE PRINCIPAL STRENGTH OF THIS APPLICATION  
21 WAS CITED AS BEING THE UNIQUE EXPERTISE IN THE HIGH  
22 THROUGHPUT TECHNOLOGY, PARTICULARLY THE PROGRAM  
23 DIRECTOR WHO WAS IDENTIFIED AS BEING VERY HIGHLY  
24 QUALIFIED IN THIS AREA.

25                  THERE WAS THE IMPRESSION BY THE REVIEW GROUP

1 THAT BECAUSE ONLY A SINGLE HOOD AND A SINGLE CENTRIFUGE  
2 WERE MENTIONED IN THE EQUIPMENT LIST, THAT THE  
3 LABORATORY WAS NOT ADEQUATE AND PERHAPS TOO SMALL TO  
4 REALLY SERVE AS A SHARED RESEARCH LABORATORY.

5 IN ADDITION, THE KEY PERSONNEL ARE LISTED  
6 ONLY AS THE PROGRAM DIRECTOR, ALLOWING 5 PERCENT OF HIS  
7 TIME, AND TWO LABORATORY TECHNICIANS WHO ARE TO BE  
8 NAMED. THERE WAS NO SPECIFIC PH.D. LEVEL LAB MANAGER  
9 THAT WOULD BE ASSIGNED TO MANAGE THIS LABORATORY.

10 MOST OF THE EQUIPMENT GOES IN TERMS OF COST  
11 ARE ALLOCATED TO A CONFOCAL SPINNING DISK SYSTEM THAT  
12 IS ON THE ORDER OF 715,000.

13 THE MANAGEMENT PLAN IN GENERAL WAS NOT VERY  
14 WELL DEVELOPED, ACCORDING TO THE REVIEWERS, AND NOT  
15 DESCRIBED IN SUFFICIENT DETAIL, AS THEY FELT, TO  
16 WARRANT A RECOMMENDATION.

17 AND THE WORKING GROUP IN THEIR DISCUSSION  
18 WANTED TO SUGGEST THAT THEY AGREE THAT FINAL SCORES  
19 SHOULD REFLECT THE RELATIVELY POOR MANAGEMENT PLAN FOR  
20 THIS FACILITY. IT SHOULD BE NOTED, HOWEVER, REGARDING  
21 THE EQUIPMENT, THAT THE EQUIPMENT LIST PRESENTED IN  
22 PART 2 OF THE APPLICATION WAS NOT THE SAME AS THE ONE  
23 IN PART 1. AND SO PERHAPS RICK KELLER MAY BE ABLE TO  
24 ADDRESS THAT MORE SPECIFICALLY.

25 CHAIRMAN KLEIN: THANK YOU. RICK, COULD YOU

1 BUILD THE WHOLE CONTEXT FOR THIS; THAT IS --

2 MR. KELLER: JUST THE HIGH POINTS THOUGH.

3 CHAIRMAN KLEIN: THE HIGH POINTS OF THE  
4 CONTEXT, BUT THE ISSUE OF REALLY THE FACILITY WAS  
5 SUPPOSED TO BE JUDGED IN THE FACILITIES GROUP, AND  
6 THERE WAS JUST A VERY SHORT SUMMARY IN THE SCIENTIFIC  
7 GROUP WHICH HAD SOME MISLEADING CONCLUSIONS THAT  
8 SIGNIFICANTLY IMPACTED THE SCIENTIFIC SCORING.

9 MR. KELLER: THE ASPECT OF THIS THAT'S UNIQUE  
10 AMONG THE APPLICANTS IS THAT THE TOTAL REQUEST FOR  
11 CAPITAL FUNDING FOR RENOVATIONS IS \$1,650, WHICH IS  
12 BASICALLY SOME ELECTRICAL RENOVATIONS. THE MAJORITY OF  
13 THE PART 2 REQUEST IS \$943,933 FOR EQUIPMENT. AND THAT  
14 INFORMATION OBVIOUSLY IS NOT PART OF THE PART 1  
15 APPLICATION AS REVIEWED BY THE SCIENTIFIC GRANTS  
16 WORKING GROUP.

17 SO THEY HAVE NO KNOWLEDGE IN TERMS OF THE  
18 ACTUAL REQUEST FOR INVESTMENT ASSOCIATED. SO IN THIS  
19 CASE THE LABORATORY HAS ALREADY BEEN COMPLETED THROUGH  
20 THE INSTITUTIONAL INVESTMENT, THAT THE ONLY THING THAT  
21 REALLY NEEDS TO BE HANDLED IS THE VERY MINOR AMOUNT FOR  
22 ELECTRICAL CAPABILITY.

23 I WOULD STATE THAT IN TERMS OF THE AMOUNT OF  
24 SPACE, THIS IS 1600 ASSIGNABLE SQUARE FEET, WHICH IS  
25 NOT THE SMALLEST, NOR IS IT THE LARGEST AMONG THE

1 APPLICANTS, BUT IT'S WITHIN THE RANGE THAT WE WOULD  
2 HAVE SEEN IN TERMS OF THE AMOUNT OF SPACE BEING DEVOTED  
3 TO THE SHARED LAB.

4 AND, YES, AS DR. SAMBRANO POINTS OUT, IN  
5 GOING OVER THIS WITH THE SCIENCE OFFICE STAFF, WE FOUND  
6 SOME DISPARITY BETWEEN THE NUMBER OF INCUBATORS AND  
7 WHETHER THEY WERE SINGLE OR DOUBLE AND SO FORTH SO THAT  
8 THERE WERE ACTUALLY A NUMBER OF ADDITIONAL ITEMS  
9 BECAUSE THERE WAS A SUBMISSION DEADLINE THREE WEEKS  
10 EARLIER FOR THE SCIENTIFIC VERSUS THE CAPITAL AND  
11 EQUIPMENT.

12 CHAIRMAN KLEIN: AND IN THE FACILITIES  
13 PORTION OF IT, THE INFORMATION THAT WE RECEIVED WAS  
14 THAT THEY HAD, WITH THE AMOUNT THAT THEY WERE PAYING  
15 FOR THEMSELVES, NOT REQUESTING FOR MONEY FROM US, HAD  
16 BUILT OUT SUFFICIENT FACILITIES TO ACCOMPLISH SERVING  
17 MULTIPLE INVESTIGATORS. IS THAT A CORRECT STATEMENT?

18 MR. KELLER: THAT'S THE 1650 FEET THAT I'M  
19 REFERRING TO THAT WOULD BASICALLY BE READY TO RECEIVE  
20 THE EQUIPMENT FROM THE GRANT.

21 CHAIRMAN KLEIN: SO THE PROBLEM HERE IS THAT  
22 WHEN LOOKED AT FROM THE FACILITIES SIDE WHERE MOST OF  
23 THE FUNDING SHOWED UP AND WHERE THE DOCUMENTATION  
24 ADDRESSED THAT, WE HAD ADEQUATE INFORMATION TO SEE THAT  
25 IT WAS COMPLETELY RESPONSIVE TO THE SHARED LAB, BUT THE



1 SCIENTIFIC SIDE, IN LOOKING AT THEIR SCIENTIFIC SCORE,  
2 DIDN'T SEE THAT. AND THERE WAS A GREAT DEAL OF  
3 CONCENTRATION ON THE FACT THAT, GIVEN THE LIMITED  
4 EQUIPMENT WE WERE BEING ASKED TO PAY FOR ON THE  
5 SCIENTIFIC SIDE AND FACILITIES ON THE SCIENTIFIC SIDE,  
6 THEY ONLY SAW A SUMMARY OF A PART OF THE TOTAL  
7 EXPENDITURE AND CONCLUDED FROM THAT THAT IT WOULD HAVE  
8 BEEN A FACILITY ONLY FOR ENHANCING THAT PARTICULAR  
9 WORLD-CLASS INSTITUTION'S ABILITY FOR HIGH THROUGHPUT  
10 SCREENING BECAUSE THEY DIDN'T SEE THAT THERE WAS  
11 ADDITIONAL EQUIPMENT AND SPACE THAT WAS BEING PROVIDED  
12 THAT REALLY MAKE IT A SHARED APPLICATION.

13 ON THE FACILITIES SIDE AND THE SCIENTIFIC  
14 SIDE, I BELIEVE THERE WERE THREE VERY HIGHLY RANKED  
15 INSTITUTIONS THAT PROVIDED SUPPORT LETTERS THAT  
16 INDICATED THAT THEY HAD A JOINT PROGRAM TO WORK AND  
17 RELY ON THIS EXPERTISE; IS THAT CORRECT?

18 DR. SAMBRANO: SORRY. CAN YOU REPEAT THE  
19 QUESTION?

20 CHAIRMAN KLEIN: THERE WERE THREE VERY HIGHLY  
21 RANKED INSTITUTIONS THAT PROVIDED SUPPORTING LETTERS  
22 SAYING THAT THEY HAD A MUTUAL PLAN FOR SCIENTIFIC  
23 EXPLORATION WHERE THEY WOULD MUTUALLY RELY ON THIS  
24 INSTITUTION'S FACILITIES.

25 DR. SAMBRANO: YES, THAT'S CORRECT.

1                   CHAIRMAN KLEIN: SO THERE WAS EVIDENCE IN  
2 BOTH SIDES IN THE DOCUMENTATION THAT IT WAS, IN FACT,  
3 GOING TO BE UTILIZED AS A SHARED FACILITY. I THINK  
4 WE'VE LEARNED SOMETHING IN THE PROCESS ABOUT  
5 DUPLICATING PERHAPS INFORMATION FOR BOTH SIDES SO THAT  
6 BOTH SIDES CAN SEE THE ENTIRE PLAN RATHER THAN MAKING  
7 IMPLIED JUDGMENTS OFF OF SEEING A PART OF A SUBMISSION.  
8 BUT WE CAN EXPLORE THAT LATER. I KNOW THAT ON AN  
9 INFORMATIONAL BASIS, THAT'S SOMETHING THAT OUR CHIEF  
10 SCIENTIFIC OFFICER WILL NEED TO GIVE US DIRECTION ON IN  
11 THE FUTURE.

12                   DR. CHIU: I HOPE TO BE CORRECTED, BUT MY  
13 RECOLLECTION WAS THAT DURING THE REVIEW, THE COMMENT  
14 WAS MADE THAT THERE WAS A BIT OF A DEARTH OF LETTERS  
15 FROM COLLABORATORS, BUT ONE MAIN LETTER DEMONSTRATING  
16 THAT IT'S PART OF A BIG CONSORTIUM. PLEASE CORRECT ME  
17 IF I'M WRONG.

18                   DR. SAMBRANO: THAT'S CORRECT.

19                   CHAIRMAN KLEIN: AND IT'S CITED, I THINK,  
20 THREE DIFFERENT COLLABORATORS.

21                   DR. FRIEDMAN: I'M SORRY. I'M CONFUSED.

22                   CHAIRMAN KLEIN: WHY DON'T WE HAVE THE VICE  
23 CHAIR ADDRESS THIS.

24                   DR. FRIEDMAN: CAN WE NAIL THIS BACK, PLEASE?

25                   DR. SAMBRANO: THIS INSTITUTION IS PART OF

1 THE FOUR INSTITUTIONAL CONSORTIA. SO THEY DO PROVIDE A  
2 LETTER THAT INDICATES THEY ARE PART OF THAT CONSORTIUM.  
3 THERE ARE, HOWEVER, NO ADDITIONAL LETTERS OF  
4 COLLABORATION FROM SPECIFIC USERS THAT ARE IDENTIFIED  
5 IN THE APPLICATION.

6 MR. SHEEHY: AND TO PUT A LITTLE MORE  
7 CONTEXT, WE'VE ALREADY FUNDED THREE OF THE  
8 COLLABORATORS. THESE ARE SHARED LABS. SO FOR WHATEVER  
9 THAT MATTERS.

10 BUT TO GET INTO THE PROGRAMMATIC, I DO THINK  
11 THAT THERE WAS, NOTWITHSTANDING THE PHYSICAL  
12 DEFICIENCIES, THERE WAS A FAIRLY, AND THERE WAS SOME  
13 FAIRLY STRONG BACK AND FORTH, BUT THERE'S A STRONG  
14 SENSE THAT THIS WAS NOT GOING TO BE A SHARED LAB. AND  
15 THERE'S A VERY STRONG RESEARCHER THERE, AND THERE WAS  
16 THAT MOVEMENT TOWARDS A MINORITY REPORT. I DON'T KNOW  
17 IF THIS ADDITIONAL INFORMATION, I'M NOT CONVINCED THAT  
18 WOULD HAVE CHANGED THE SCORE. MAYBE OTHER PEOPLE WHO  
19 WERE THERE FEEL DIFFERENTLY, BUT I CAN'T SAY FOR SURE  
20 THAT THIS ADDITIONAL INFORMATION WOULD HAVE CHANGED THE  
21 SCORING.

22 CHAIRMAN KLEIN: MAYBE WE CAN GET SOME  
23 COMMENTS FROM SOME OTHER INDIVIDUALS THAT WERE PRESENT.

24 DR. PENHOET: WELL, THIS WAS A CASE WHERE THE  
25 AVERAGE SCORE WAS 66. THERE WAS NO MINORITY REPORT,

1 BUT THERE WAS A VERY, VERY BROAD DISTRIBUTION AROUND  
2 THE MEAN OF THE SCORE WITH SEVERAL PEOPLE ON THE GRANTS  
3 REVIEW GROUP VERY STRONGLY SUPPORTING THIS AND OTHERS  
4 WHO WERE QUITE SKEPTICAL OF IT. SO THERE WAS A BROAD  
5 SPECTRUM OF VIEWS ABOUT THIS FACILITY.

6 I DO THINK, ALTHOUGH THERE ARE OTHER SHARED  
7 FACILITIES, I BELIEVE THIS WAS THE ONLY ONE WE SAW IN  
8 THE STATE THAT HAD A HIGH THROUGHPUT SCREENING  
9 CAPABILITY ADDRESSED IN IT. I THINK THAT WAS POINTED  
10 OUT AS ONE OF THE STRENGTHS. SO ITS EXPERTISE DOESN'T  
11 OVERLAP WITH THE OTHER THREE THAT ARE IN THE FUNDED  
12 GROUP, BUT IT HAS UNIQUE EXPERTISE.

13 MR. SHEEHY: BUT THERE WAS A QUESTION RAISED  
14 WHETHER ANYBODY ELSE IN THE STATE WOULD ACTUALLY GET TO  
15 USE IT. SPECIFICALLY RAISED.

16 DR. POMEROY: DR. CHIU HAS ALREADY REMINDED  
17 US THAT WE CAN PUT CONDITIONS ON THESE THINGS. AND  
18 FROM WHAT I'M HEARING, THIS IS A VALUABLE SKILL SET,  
19 THE HIGH THROUGHPUT; BUT IF IT'S FOR ONE PERSON, THAT'S  
20 NOT, IN MY OPINION, WHAT WE WERE GOING FOR. WE WERE  
21 GOING FOR IF THE 30 PEOPLE WHO WERE LISTED WILL INDEED  
22 USE IT.

23 SO I WONDER IF THERE ARE CONDITIONS WE COULD  
24 PUT ON THIS OF HOW MUCH USE FROM PEOPLE OUTSIDE OF THAT  
25 PRINCIPAL INVESTIGATOR'S LAB. THAT MIGHT BE ONE WAY TO

1 ENSURE THAT WE GET OUR GOAL MET.

2 DR. SAMBRANO: I JUST WANTED TO MENTION THAT  
3 THERE WAS AN ATTEMPT BY THE GRANTS WORKING GROUP TO  
4 ATTACH CONDITIONS TO THIS APPLICATION. AND SO I CAN  
5 READ THEM AND SEE IF THAT IS HELPFUL.

6 THERE WAS A PROPOSAL TO ADD THREE CONDITIONS.  
7 ONE WAS TO HIRE ONE TO TWO MANAGEMENT PEOPLE WITH  
8 PROPER SHARED LAB MANAGEMENT EXPERIENCE TO MEET THE  
9 DEMAND. TWO, TO REQUIRE A MANAGEMENT PLAN THAT ASSURES  
10 ACCESS TO MULTIPLE INVESTIGATORS AND SETS PRIORITIES.  
11 AND THREE, TO PERFORM AN ANNUAL REVIEW TO CONFIRM THAT  
12 THE FACILITY IS SERVING THE AREA WITH THIS SHARED  
13 RESOURCE.

14 THIS WAS A FRIENDLY AMENDMENT TO A MOTION TO  
15 FUND -- TO RECOMMEND FOR FUNDING, BUT THIS MOTION  
16 FAILED.

17 MR. ROTH: MR. CHAIRMAN, AS THE MAKER OF THE  
18 MOTION, I WOULD ACCEPT THAT AMENDMENT BASED ON WHAT DR.  
19 POMEROY JUST SAID, THOSE THREE CONDITIONS.

20 CHAIRMAN KLEIN: FIRST OF ALL, THERE'S BEEN  
21 THE MAKER OF THE MOTION HAS STATED HE'S PREPARED TO  
22 ACCEPT AS A FRIENDLY AMENDMENT THOSE CONDITION. IS THE  
23 MAKER OF THE SECOND PREPARED?

24 DR. POMEROY: THAT WAS ME, SO I GUESS I'M  
25 PREPARED TO ACCEPT MY PROPOSAL.

1                   CHAIRMAN KLEIN:  SO THAT HAS BEEN ACCEPTED.

2                   BEFORE WE MOVE FORWARD, I WOULD LIKE TO  
3 ANNOUNCE THAT THE STATE CONTROLLER, JOHN CHIANG, IS  
4 HERE, AND I'D LIKE TO GIVE HIM A HAND OF APPLAUSE.

5                   (APPLAUSE.)

6                   CHAIRMAN KLEIN:  JOHN HAS BEEN A GREAT  
7 CHAMPION FOR STEM CELL RESEARCH IN THIS STATE AND  
8 HIGHLY SUPPORTIVE.  WE'RE INDEBTED TO HIS STAFF FOR  
9 THEIR SUPPORT OF THIS AGENCY AND THE FUNCTIONS THAT  
10 THEY PERFORM FOR US.  TO ALLOW US TO LIFT OUR  
11 PERFORMANCE WHILE WE'RE STAFFING UP IS EXTREMELY,  
12 EXTREMELY HELPFUL TO ADVANCING OUR AGENDA.  IN JUST A  
13 MOMENT, I'M GOING TO ASK IF HE WILL ADDRESS -- HE'S  
14 GOING TO SAVE IT FOR A FUTURE DAY, BUT WE DEEPLY  
15 APPRECIATE HIM BEING HERE ON A HISTORIC DAY WHEN WE'RE  
16 FUNDING SHARED LABS THAT WILL PROVIDE TREMENDOUS NEW  
17 CAPACITY ACROSS THE STATE, REPRESENTING A NUMBER OF  
18 AREAS OF EXPERTISE THAT ARE NOT AVAILABLE ON A SHARED  
19 BASIS IN THE STATE TODAY TO THE LEADING RESEARCHERS AND  
20 TO THE JUNIOR RESEARCHERS THAT ARE COMMITTING  
21 THEMSELVES TO THIS FIELD.

22                  DR. STEWARD:  I'D LIKE TO MAKE TWO POINTS  
23 WITH REGARD BOTH TO THE ORIGINAL MOTION AND TO THE  
24 AMENDMENT.  WITH REGARD TO THE AMENDMENT, I JUST WANTED  
25 TO POINT OUT THAT, AGAIN, THE GRANTS WORKING GROUP DID

1 NOT ACCEPT THAT AMENDMENT AND PASS THIS FOR FUNDING.

2 HAVING SAID THAT, THE OTHER POINT THAT'S  
3 WORTH THINKING ABOUT IS WHETHER THIS IS ONE OF THE  
4 AREAS IN WHICH THERE MIGHT IN THE FUTURE BE A CRITICAL  
5 NEED. ONE CAN CERTAINLY IMAGINE THAT HIGH THROUGHPUT  
6 SCREENING IS GOING TO BE CRITICAL FOR THE THINGS THAT  
7 WE DO IN THE FUTURE. OTHER POSSIBLE AREAS MIGHT BE THE  
8 GRANT THAT WE JUST CONSIDERED, INFORMATICS.

9 THE QUESTION IS WHETHER THE CURRENT MECHANISM  
10 IS THE WAY TO FUND THAT. DOES IT MAKE SENSE TO TRY TO  
11 REMEDY SIGNIFICANT SCIENTIFIC SHORTCOMINGS OF AN  
12 APPLICATION IN THE HOPE THAT WE'RE GOING TO COME OUT  
13 THE OTHER END WITH WHAT WE REALLY WANT, OR DOES IT MAKE  
14 SENSE TO WAIT UNTIL WE HAVE AN ACTUAL RFP AVAILABLE FOR  
15 THE THINGS THAT WILL BE NECESSARY AND THAT GROUPS LIKE  
16 THIS CAN PUT TOGETHER A PROPOSAL THAT REALLY MEETS THAT  
17 NEED IN THE BEST POSSIBLE WAY.

18 MS. PACTER: EXCUSE ME, MR. CHAIR. FOR THE  
19 RECORD, I'D JUST LIKE TO KNOW WHAT IS THE AMENDMENT  
20 THAT'S UNDER CONSIDERATION.

21 CHAIRMAN KLEIN: THE AMENDMENT ADOPTS THE  
22 THREE CONDITIONS THAT WERE READ BY GIL SAMBRANO.

23 MS. PACTER: ALL THREE OF THEM?

24 CHAIRMAN KLEIN: YES.

25 MS. PACTER: THANK YOU.

1                   CHAIRMAN KLEIN:  YES.  ALL RIGHT.  ANY  
2  ADDITIONAL BOARD DISCUSSION?  PUBLIC DISCUSSION ON THIS  
3  ITEM?  SEEING NONE, MELISSA, WOULD YOU READ THE ROLL?  
4                   MS. KING:  AGAIN, THE RECUSALS ARE DR.  
5  BALTIMORE, DR. BRENNER, AND SHERRY LANSING.  
6                   MS. KING:  RICARDO AZZIZ.  
7                   DR. AZZIZ:  APPROVE.  
8                   MS. KING:  ROBERT PRICE.  
9                   DR. PRICE:  APPROVED.  
10                  MS. KING:  SUE DUCKLES.  
11                  DR. DUCKLES:  APPROVED.  
12                  MS. KING:  FRANK MARKLAND.  
13                  DR. MARKLAND:  APPROVED.  
14                  MS. KING:  MICHAEL FRIEDMAN.  
15                  DR. FRIEDMAN:  DOES TORN COUNT AS A VOTE?  I  
16  GUESS I SHOULD ABSTAIN.  
17                  MS. KING:  DAVID KESSLER.  
18                  DR. KESSLER:  APPROVE.  
19                  MS. KING:  BOB KLEIN.  
20                  CHAIRMAN KLEIN:  APPROVE.  
21                  MS. KING:  GERALD LEVEY.  
22                  DR. LEVEY:  APPROVE.  
23                  MS. KING:  ED PENHOET.  
24                  DR. PENHOET:  YES.  
25                  MS. KING:  PHIL PIZZO.



1 DR. PIZZO: APPROVE.  
2 MS. KING: CLAIRE POMEROY.  
3 DR. POMEROY: YES.  
4 MS. KING: FRANCISCO PRIETO.  
5 DR. PRIETO: YES.  
6 MS. KING: DUANE ROTH.  
7 MR. ROTH: YES.  
8 MS. KING: JEFF SHEEHY.  
9 MR. SHEEHY: ABSTAIN.  
10 MS. KING: JONATHAN SHESTACK.  
11 MR. SHESTACK: APPROVED.  
12 MS. KING: OSWALD STEWARD.  
13 DR. STEWARD: NO.  
14 MS. KING: JANET WRIGHT.  
15 DR. WRIGHT: YES.  
16 CHAIRMAN KLEIN: ALL RIGHT. ARE THERE ANY  
17 ADDITIONAL APPLICATIONS THAT ANYONE WOULD LIKE TO  
18 ADDRESS?  
19 MR. ROTH: AGAIN, I'D LIKE TO SEE 510,  
20 SCIENTIFIC SCORE.  
21 MS. KING: JUST FOR THE RECORD, THAT MOTION  
22 CARRIES WITH 14 YES VOTES, ONE NO VOTE, AND TWO  
23 ABSTENTIONS.  
24 CHAIRMAN KLEIN: ALL RIGHT. THE REQUEST IS  
25 ON 510 TO SEE THE SCIENTIFIC SCORE.

1 MR. HARRISON: THE MEMBERS WHO ARE RECUSED  
2 FROM THIS DISCUSSION ARE MEMBERS KESSLER, LANSING, AND  
3 SHEEHY.

4 CHAIRMAN KLEIN: ANYONE WANT TO ADDRESS THIS  
5 ITEM?

6 DR. LEVEY: I THINK JUST FROM OBSERVING IT,  
7 WE'RE GETTING INTO AREAS NOW WHERE THE SCIENTIFIC  
8 SCORES ARE REALLY QUITE A BIT BELOW WHAT WE'VE BEEN  
9 SEEING WITH THE OTHERS THAT WE'VE CONSIDERED.

10 CHAIRMAN KLEIN: ARE THE SCORES SEQUENTIAL?  
11 THE SCORES ARE NOT SEQUENTIAL.

12 DR. PENHOET: 504 IS THE ONE YOU ASKED FOR,  
13 ISN'T IT?

14 DR. PRIETO: HE ASKED FOR 510.

15 MR. ROTH: 510.

16 CHAIRMAN KLEIN: ARE YOU ASKING FOR 504, DR.  
17 PENHOET?

18 DR. PENHOET: YES.

19 CHAIRMAN KLEIN: DR. PENHOET WOULD LIKE TO  
20 SEE 504. IS THERE ANYONE THAT WANTS TO ADDRESS 504?

21 DR. PRIETO: I'LL MAKE A MOTION THAT 504 BE  
22 APPROVED FOR FUNDING.

23 MR. HARRISON: AND THE MEMBERS WHO ARE  
24 RECUSED FROM THIS DISCUSSION ARE LANSING, MARKLAND,  
25 POMEROY, AND FRIEDMAN.

1 DR. WRIGHT: I'LL SECOND.

2 CHAIRMAN KLEIN: MOTION HAS BEEN MADE AND  
3 SECONDED. LET'S HIT THE HIGHLIGHTS ON THIS.

4 DR. KUMAR: THIS IS AN APPLICATION THAT WILL  
5 ESTABLISH A SHARED LABORATORY THAT IS OFF CAMPUS ABOUT  
6 A HALF MILE FROM THE HOME INSTITUTION FOR 32  
7 INVESTIGATORS, 18 FROM THE HOME INSTITUTION AND 14 FROM  
8 NEIGHBORING INSTITUTIONS. THERE ARE FOUR BASIC AREAS  
9 OF STUDIES, INCLUDING A DESCRIPTION OF MOLECULAR  
10 PATHWAYS UNDERLYING EPIGENETICS, STUDIES ON CHANGES IN  
11 CHROMATIN STRUCTURE THAT OCCUR DURING DIFFERENTIATION,  
12 USE OF CHEMICAL BIOLOGY TO GUIDE CELLS TOWARDS  
13 DIFFERENTIATION INTO SPECIFIC LINEAGES, AND FOURTH,  
14 ESTABLISHING NEW LINES.

15 IT WAS THOUGHT RELATIVE TO THE THIRD AIM THAT  
16 IN TERMS OF CHEMICAL BIOLOGY SCREENING, THAT THIS  
17 INSTITUTION MIGHT HAVE DIFFICULTY COMPETING WITH OTHER  
18 PUBLIC AND PRIVATE INSTITUTIONS WHO HAVE LARGER NUMBERS  
19 OF INVESTIGATORS AND BIGGER COLLECTIONS OF CHEMICAL  
20 COMPOUNDS.

21 RELATIVE TO THE FOURTH AIM, THAT IS DERIVING  
22 NEW LINES, THE PRINCIPAL INVESTIGATOR THAT WAS PROPOSED  
23 FOR THIS WORK IS CURRENTLY ON SABBATICAL. AND UPON  
24 RETURN WILL APPARENTLY BRING THIS TECHNOLOGY TO THE  
25 HOME INSTITUTION.

1                   ANOTHER POINT THAT WAS MADE WAS IT'S NOT  
2                   EXACTLY CLEAR HOW THIS FACILITY WILL INTERACT WITH SOME  
3                   OF THE NEIGHBORING INVESTIGATORS, AND THERE WAS A  
4                   PROPOSAL TO LOCATE THIS FACILITY NEXT TO A LARGE ANIMAL  
5                   MODEL FACILITY THAT'S RESIDENT AT THE HOME INSTITUTION.  
6                   AND IT COULD BE AN IMPORTANT STRENGTH OF THIS  
7                   PARTICULAR APPLICATION, ALTHOUGH THE REVIEWERS WIDELY  
8                   DISAGREED ABOUT THAT POINT.

9                   RELATIVE TO THE SPACE, THE FACILITY HAD AN  
10                  EXCELLENT DESIGN AND A NICE FLOOR PLAN WITH THREE CELL  
11                  CULTURE ROOMS, TWO SEPARATE LABORATORIES WHERE  
12                  INVESTIGATORS CAN WORK. AND THE EQUIPMENT PROPOSED FOR  
13                  THE FACILITY WAS DEEMED ADEQUATE, ALTHOUGH THE SPACE  
14                  MIGHT BE SOMEWHAT LIMITING GIVEN THE FACT THAT THERE  
15                  ARE 32 INVESTIGATORS WITHIN THE PROPOSAL.

16                 THE QUALITY OF THE MANAGEMENT PLAN WAS  
17                 CONSIDERED A MAJOR STRENGTH OF THIS PROPOSAL. THE  
18                 PROGRAM DIRECTOR HAS DEMONSTRATED EXPERTISE IN MULTIPLE  
19                 COLLABORATIONS AND THE DIRECTION OF VARIOUS CORE  
20                 FACILITIES AND WITH QUALITY CONTROL AND FEDERAL AND  
21                 STATE OVERSIGHT AS WELL AS SECURITY, AND WELL-TRAINED  
22                 AND EXPERIENCED TECHNICIANS HAVE BEEN RECRUITED TO HELP  
23                 RUN THAT FACILITY.

24                 ONE NEGATIVE RELATIVE TO THE MANAGEMENT PLAN  
25                 IS THAT THERE MAY BE A SOMEWHAT BUREAUCRATIC SYSTEM

1 THAT HAS BEEN PROPOSED FOR INVESTIGATORS WISHING TO  
2 GAIN ACCESS TO THE FACILITY. HOWEVER, GIVEN THE  
3 CURRENT SITUATION WITH THE FEDERAL GOVERNMENT, THIS  
4 LEVEL OF ASSURANCE OF COMPLIANCE IS LIKELY VERY  
5 IMPORTANT.

6 IN THE DISCUSSION OF THIS PARTICULAR  
7 APPLICATION, IT WAS BROUGHT UP THAT THE SCIENCE AS  
8 PRESENTED IS QUITE VAGUE. SO ALTHOUGH THE MANAGEMENT  
9 PLAN IS THE KEY STRENGTH, THE DESCRIPTION OF WHAT  
10 THEY'RE GOING TO DO WITH THIS PARTICULAR SPACE RELATIVE  
11 TO THE APPROPRIATENESS OF THE REQUEST WAS TOO VAGUE.

12 ALSO, WITH RESPECT TO LINE DERIVATION, THE  
13 RELEVANT ISSUES FOR THIS ACTIVITY, SUCH AS THE ORIGIN  
14 OR AVAILABILITY OF EMBRYOS, PATIENT CONSENT  
15 REQUIREMENTS, AND ANY CONNECTION TO AN IVF CLINIC ARE  
16 NOT AT ALL DESCRIBED IN THE APPLICATION.

17 FINALLY, THERE'S A STRONG EMPHASIS IN THIS  
18 PROPOSAL ON THE FACT THAT THE SHARED LAB WOULD BE  
19 LOCATED IN CLOSE PROXIMITY TO A FACILITY THAT HOUSES A  
20 CERTAIN LARGE ANIMAL MODEL, BUT THE RELATIONSHIP WITHIN  
21 THE APPLICATION WITH RESPECT TO THE WORK THAT WOULD BE  
22 DONE WITH THESE MODELS WAS NOT CLEAR.

23 FINALLY, THERE WAS A MOTION IN PROGRAMMATIC  
24 REVIEW THAT WAS MADE TO RECOMMEND THIS SHARED  
25 LABORATORY APPLICATION FOR FUNDING. AGAIN, THE LACK OF

1 CLARITY AROUND THE RELATIONSHIP WITH RESPECT TO THE  
2 UTILITY OF THE LARGE ANIMAL MODEL AND THE STYLE OF THE  
3 PLAN, I.E., THE LOCATION SOMEWHAT OFF CAMPUS, WERE TWO  
4 POINTS BROUGHT UP WITHIN THIS DISCUSSION.

5 AND, FINALLY, THE MOTION TO RECOMMEND THAT  
6 THE LABORATORY APPLICATION BE FUNDED FAILED.

7 CHAIRMAN KLEIN: THANK YOU. CAN WE HAVE THE  
8 FACILITIES REVIEW?

9 MS. HOFFMAN: I'M SORRY, CHAIRMAN KLEIN.  
10 BOTH RICK KELLER AND MYSELF ARE CONFLICTED OUT OF THIS  
11 APPLICATION. AND WE HAD BOB MCGEE FROM HHMI PROVIDE  
12 THE STAFF ANALYSIS. HE IS OBVIOUSLY NOT HERE TODAY TO  
13 WALK YOU THROUGH IT, BUT I THINK THE SCORE REALLY --

14 CHAIRMAN KLEIN: WE HAVE THE ADVANTAGE OF A  
15 FACILITIES WRITE-UP THAT ANY STAFF MEMBER PRESENT CAN  
16 READ FOR THE RECORD.

17 MS. HOFFMAN: AND IT CERTAINLY IS IN  
18 EVERYONE'S BINDER AS WELL. FOR THE RECORD, YES. THANK  
19 YOU.

20 CHAIRMAN KLEIN: IF SOMEONE COULD READ THE  
21 HIGHLIGHTS OF THAT.

22 MR. KELLER: THE PROPOSAL IS ONE TO CONSTRUCT  
23 A MODULAR FACILITY. MY ATTORNEY SAYS I CAN'T READ  
24 THIS.

25 CHAIRMAN KLEIN: SO, COUNSEL.

1 MS. PACHTER: THE PROPOSED PROJECT WOULD  
2 CONSTRUCT A MODULAR FACILITY TO PROVIDE 2300 ASSIGNABLE  
3 SQUARE FEET OF RESEARCH SPACE CONSISTING OF THREE  
4 TISSUE CULTURE LABORATORIES, SPACE FOR FLOW CYTOMETRY,  
5 CELL SORTING, CRYOPRESERVATION, AND CELL STORAGE.

6 ONE OF THE TISSUE CULTURE LABORATORIES WILL  
7 BE USED PERIODICALLY TO SUPPORT STEM CELL TECHNIQUES  
8 COURSE ACTIVITIES. THE OVERALL CONSTRUCTION COSTS PER  
9 ASSIGNABLE SQUARE FOOT IS BASED ON THE COMBINED SHARED  
10 LAB AND TECHNIQUES COURSE BUDGET. REQUEST IS \$911 PER  
11 ASSIGNABLE SQUARE FOOT. COMPLETION IS PLANNED 12  
12 MONTHS AFTER GRANT APPROVAL.

13 CHAIRMAN KLEIN: CAN WE HAVE JEFF SHEEHY TO  
14 DISCUSS THE FACILITIES SIDE AND THE SCIENTIFIC SIDE AS  
15 THE VICE CHAIR.

16 MR. SHEEHY: SO I WAS JUST GOING TO NOTE THE  
17 MAIN -- AS PEOPLE HAVE STATED, THE TWO CONCERNS WERE  
18 IT'S NOT CLEAR WHAT VALUE, WHAT THE RELATIONSHIP IS  
19 WITH THE LARGE ANIMAL CENTER. AND THAT THE SCIENTIFIC  
20 RATIONALE, ONE OF THE REASONS FOR DOING THIS WAS THAT  
21 THE SCIENTIFIC RATIONALE WAS OFFERED THAT THERE SHOULD  
22 BE A STRONG -- THAT THIS RELATIONSHIP WOULD BE  
23 IMPORTANT TO THE FIELD GOING FORWARD. THERE WAS NOT  
24 THAT FEELING AMONG THE SCIENTISTS THAT THIS WAS  
25 NECESSARILY TRUE.

1           SOME FELT IT WAS PREMATURE.   SOME FELT IT MAY  
2 NOT EVEN EVER BE NECESSARY.   SO THAT.   THEN THERE WAS  
3 THIS QUESTION ABOUT PERHAPS NOT BEING LOCATED IN THE  
4 CENTER OF THE CAMPUS, THAT BEING SOMEWHAT OFFSITE.  
5 THOSE SEEMED TO BE THE MAIN CONSIDERATIONS.

6           I WOULD NOTE THAT, AND I'LL EDITORIALIZE A  
7 LITTLE BIT, THAT THIS IS THE ONLY ONE OF THE -- THIS IS  
8 THE LAST ONE OF THE NEAR MISSES IN TERMS OF SCORES.   WE  
9 FUNDED SO FAR ALL THE NEAR MISSES.   SO SO FAR WE'VE  
10 GONE FOR HIGH THROUGHPUT SCREENING, BIOINFORMATICS.  
11 THIS IS THE ONE THAT IS TRANSLATIONAL WITH A LARGE  
12 ANIMAL CENTER; AND, WHEREAS, THE FIRST TWO, THESE ARE  
13 CLEARLY RELEVANT AT THIS POINT IN TIME.   THE THIRD,  
14 IT'S NOT CLEAR YET THAT WE'RE AT THAT STAGE IN  
15 RESEARCH, THOUGH OTHERS MAY ARGUE DIFFERENTLY.   I'M NO  
16 EXPERT.

17           CHAIRMAN KLEIN:   ALL RIGHT.   IT'S IMPORTANT  
18 TO NOTE THAT THIS ISSUE ABOUT NOT BEING ON THE MAIN  
19 CAMPUS, THIS RESEARCH FACILITY IS LOCATED VERY  
20 PROXIMATE TO THE LARGE ANIMAL FACILITY BECAUSE IT'S  
21 INTENDED TO INTERACT WITH THE LARGE ANIMAL FACILITY.  
22 SO ON THE ONE HAND, IT'S DIFFICULT TO ARGUE THAT IT'S  
23 NOT CLEAR WHAT THE RELATIONSHIP IS AND, ON THE OTHER  
24 HAND, TO CRITICIZE IT FOR BEING CLOSE TO THE LARGE  
25 ANIMAL FACILITY TO FACILITATE THE INTERACTION OF THAT



1 RESEARCH AND ITS APPLICATIONS.

2 WOULD ANYONE ELSE LIKE TO ADDRESS THE ISSUE  
3 OF WHETHER HAVING A LARGE ANIMAL FACILITY IS PREMATURE  
4 IN TERMS OF AN ASSET OR RESOURCE? AND I WOULD LIKE TO  
5 ASK. THERE WERE SUPPORTING LETTERS ON THIS FROM OTHER  
6 INSTITUTIONS; IS THAT CORRECT?

7 DR. CHIU: MAY I ADDRESS THIS? I'M READING  
8 FROM THE REVIEW. THE PROGRAM DIRECTOR HAS AMASSED AN  
9 IMPRESSIVE NUMBER OF SUPPORTING LETTERS. THIS IS  
10 STRAIGHT FROM THE REVIEW.

11 CHAIRMAN KLEIN: THANK YOU VERY MUCH, DR.  
12 CHIU.

13 DR. PENHOET: I THINK THE OTHER STRENGTHS  
14 INCLUDE THE 30 ODD OTHER PEOPLE WHO WILL USE THE  
15 FACILITY, SO CLEARLY IN CITING IT, THEY MUST HAVE  
16 THOUGHT ABOUT THEIR USER GROUP, WHICH IS ALREADY  
17 IDENTIFIED. AND THE INSTITUTION HAS OTHER GRANTS FROM  
18 US GOING FORWARD. I DO THINK, TO FOLLOW UP ON JEFF'S  
19 POINT, THERE WAS A VERY CLEAR DISTINCTION BETWEEN THIS  
20 GRANT AND THE REST OF THEM ON HERE IN TERMS OF SCORE.  
21 THERE'S A HUGE GAP BETWEEN THIS AND THE NEXT ONE DOWN.  
22 AND I THINK MOST OF THESE IN THE 60S WERE STATISTICALLY  
23 DIFFERENT FROM ONE ANOTHER.

24 IN THIS CASE, LOOKING OVER THOSE, SOONER OR  
25 LATER PEOPLE WILL WANT TO DO SOME MEANINGFUL STUDIES IN

1 PRIMATES AND OTHER LARGER ANIMALS, SO THE QUESTION OF  
2 PROXIMITY MAY BE PREMATURE.

3 MR. SHEEHY: AND I WOULD NOTE THAT THIS IS  
4 MUCH MORE OF A SHARED LAB THAN THE ONE WE JUST  
5 APPROVED, WHICH THE MAIN DEFICIENCIES, THAT IT WASN'T  
6 CLEAR TO ANYONE THAT THIS WAS A SHARED LABORATORY.  
7 WHEREAS, THIS ONE VERY CLEARLY IS INTENDED TO BE A  
8 SHARED LABORATORY.

9 DR. CHIU: I'M JUST LOOKING AT THE SAME  
10 REPORT THAT WE ALL HAVE, AND I JUST HAD OUTLINED A  
11 COUPLE OF THINGS JUST AS COMPARISON WITH SOME OF THE  
12 OTHER APPLICATIONS.

13 ONE OF THE MAJOR STRENGTHS OF THIS PROPOSAL  
14 IS HOW WELL THE LAB WILL BE MANAGED. THE PROGRAM  
15 DIRECTOR HAS DEMONSTRATED EXPERTISE IN  
16 MULTIDISCIPLINARY COLLABORATIONS AND IN THE DIRECTION  
17 OF CORE LABS FOCUSED ON STEM CELLS. ANOTHER STATEMENT  
18 IS THE LETTERS OF SUPPORT. AND THIS INSTITUTION HAS  
19 BEEN APPROVED FOR A GOOD NUMBER OF SEED GRANTS.

20 I THINK THE CRITICISM WAS THAT WHAT THESE  
21 PARTICULAR SEED GRANTS WERE TO DO WAS NOT DESCRIBED AS  
22 STRONGLY AS THEY MIGHT HAVE BEEN. AND THE REVIEWERS,  
23 THEREFORE, DIDN'T HAVE A GOOD GRASP OF THE QUALITY OF  
24 THE SCIENCE THAT WOULD BE DONE, BUT THESE STATEMENTS  
25 ARE IN THE WRITE-UP.

1 MR. SHEEHY: CAN WE GET A SENSE OF WHAT WE'VE  
2 APPROVED FOR THIS PARTICULAR INSTITUTION SO FAR?

3 DR. CHIU: I CAN'T OFF THE TOP OF MY HEAD.  
4 I'M SORRY.

5 MS. KING: YES, WE CAN. IT WILL JUST TAKE US  
6 A MOMENT.

7 MR. SHEEHY: I THINK WE HAVE A TRAINING GRANT  
8 THERE.

9 MS. KING: ONE TRAINEE, TWO SEEDS, AND TWO  
10 COMPREHENSIVE.

11 MR. SHEEHY: THERE WAS SUFFICIENT SCIENCE  
12 THERE TO FUND QUITE A NUMBER OF GRANTS. IT DOES KIND  
13 OF BEG THE QUESTION DO WE WANT TO PROVIDE THEM WITH ANY  
14 SPACE TO DO THE SCIENCE WE FUNDED?

15 CHAIRMAN KLEIN: I THINK THE MORE RELEVANT  
16 QUESTION, ISN'T IT, JEFF, IS HOW MANY COLLABORATORS  
17 WERE LISTED SPECIFICALLY?

18 DR. KUMAR: THERE ARE 32 PI'S, 18 FROM THE  
19 HOME INSTITUTION.

20 CHAIRMAN KLEIN: 32.

21 DR. KUMAR: 32 PI'S, 18 FROM THE HOME  
22 INSTITUTION, AND 14 FROM NEIGHBORING INSTITUTIONS.

23 CHAIRMAN KLEIN: OKAY. THAT'S A FAIRLY  
24 STRONG VALIDATION ON THE SPECIFIC PLANNED ACCESS OF A  
25 SHARED LAB AND OTHER INSTITUTIONS RECOGNIZING THIS AS A

1 VALUABLE INSTITUTIONAL CONTRIBUTION TO THEIR RESEARCH.

2 DR. CHIU, DO YOU WANT MAKE ANOTHER STATEMENT?

3 DR. CHIU: AS I RECALL, THE MAIN DISCUSSION  
4 WAS BETWEEN REVIEWERS WHO WERE THINKING ABOUT THE VALUE  
5 OF LARGE ANIMAL MODELS WITH RESPECT TO THE RESEARCH,  
6 WHETHER CURRENTLY WE NEEDED MORE IN THE FUTURE. AND SO  
7 THAT TOOK A LARGE PART OF THE DISCUSSION.

8 CHAIRMAN KLEIN: RIGHT. SO IN SOME SENSE  
9 IT'S A DISCUSSION OF WHETHER THIS IS PREMATURE OR  
10 WHETHER IT'S GOING TO BE NEEDED EARLIER RATHER THAN  
11 LATER IN TERMS OF THE SCIENTIFIC VALUE TO US.

12 ANY ADDITIONAL BOARD DISCUSSION? ANY  
13 ADDITIONAL PUBLIC DISCUSSION?

14 DR. BAUER: IF MAY ADDRESS THE GROUP, I AM  
15 THE OTHER PART OF THE TRANSLATIONAL RESEARCH IN THIS  
16 FIELD. I AM ACTUALLY THE PERSON THAT WILL BE PUTTING  
17 THESE CELLS THAT ARE BEING TESTED IN THE LARGE ANIMALS  
18 INTO PEOPLE. I AM ALSO HAVING STRONG DISCUSSIONS WITH  
19 THE FDA AT THE MOMENT.

20 WHAT IS REALLY BEING WANTED IS WE HAVE TO  
21 PROVE THAT ALL THESE STUDIES THAT WE ARE GOING TO  
22 PROPOSE TO BE DOING IN HUMANS ARE SAFE AND EFFICACIOUS.  
23 SO WE DO NEED ANIMAL MODELS THAT WE CAN ACTUALLY SHOW  
24 THAT OUR CURES ARE SAFE. WE WANT TO MAKE SURE THAT WE  
25 DON'T PUT ANYTHING INTO PEOPLE THAT COULD LEAD TO A

1 DISASTER AND SET THE FIELD BACK.

2 SO I WANT TO URGE THE GROUP TO VERY MUCH  
3 THINK ABOUT THAT A LARGE ANIMAL MODEL COMES VERY CLOSE  
4 TO HUMAN APPLICATIONS. IF WE CAN'T BEYOND A DOUBT, ANY  
5 DOUBT, AND ANY SHADOW OF A DOUBT PROVE IN A LARGE  
6 ANIMAL MODEL THAT WE ARE EFFICACIOUS AND SAFE WITH A  
7 STATISTICALLY VALID NUMBER, WE CAN ACTUALLY SAY WE MAY  
8 BE ABLE TO DO THIS IN HUMANS, AND WE MAY BE ABLE TO DO  
9 IT FASTER BECAUSE WE HAVE THE ANIMAL MODEL.

10 THE REPORTER: YOUR NAME?

11 DR. BAUER: MY NAME IS GERHARD BAUER. I'M  
12 THE LABORATORY DIRECTOR OF THE GNP FACILITY AT UC  
13 DAVIS.

14 MR. REED: SOMETHING ELSE IS THAT PREMATUREITY  
15 ISSUE OF THE ANIMAL FACILITY, IT TAKES TIME TO DEVELOP  
16 A MODEL THAT REVEALS WHAT YOU'RE TRYING TO DO. ONE OF  
17 THE THINGS THE ROMAN REED LAB WAS TRYING TO DO WAS TO  
18 DEVELOP A PARALYSIS MODEL WITH A MONKEY, I FORGET WHAT  
19 SPECIES IT WAS, THAT WOULD JUST PARALYZE ONE FINGER OF  
20 THE ANIMAL SO THAT THE ANIMAL COULD LIVE A NORMAL,  
21 HEALTHY LIFE, BUT THAT ONE FINGER WAS PARALYZED. AND  
22 IF WE COULD FIX THAT ONE FINGER, WE'D KNOW THAT IT  
23 WORKED.

24 IT TAKES TIME TO DEVELOP. SO EVEN THOUGH THE  
25 SCIENCE ISN'T QUITE READY TO GO TO HUMAN TRIALS, WE

1 NEED TO DEVELOP THE ANIMAL MODELS BEFOREHAND. SO I  
2 THINK THIS WOULD BE VERY VALUABLE.

3 CHAIRMAN KLEIN: ANY ADDITIONAL PUBLIC  
4 DISCUSSION? OKAY. COULD WE PLEASE CALL THE ROLL.

5 MS. KING: CONFLICTS ARE FRIEDMAN, MARKLAND,  
6 LANSING, AND POMEROY.

7 MS. KING: RICARDO AZZIZ.

8 DR. AZZIZ: APPROVED.

9 MS. KING: DAVID BALTIMORE.

10 DR. BALTIMORE: ABSTAIN.

11 MS. KING: ROBERT PRICE.

12 DR. PRICE: SUE DUCKLES.

13 DR. DUCKLES: APPROVED.

14 MS. KING: MICHAEL GOLDBERG. DAVID BRENNER.

15 DR. BRENNER: APPROVE.

16 MS. KING: DAVID KESSLER.

17 DR. KESSLER: APPROVE.

18 MS. KING: BOB KLEIN.

19 CHAIRMAN KLEIN: APPROVE.

20 MS. KING: GERALD LEVEY.

21 DR. LEVEY: APPROVE.

22 MS. KING: ED PENHOET.

23 DR. PENHOET: APPROVE.

24 MS. KING: PHIL PIZZO.

25 DR. PIZZO: APPROVE.

1 MS. KING: FRANCISCO PRIETO.  
2 DR. PRIETO: APPROVE.  
3 MS. KING: DUANE ROTH.  
4 MR. ROTH: APPROVE.  
5 MS. KING: JEFF SHEEHY.  
6 MR. SHEEHY: YES.  
7 MS. KING: JON SHESTACK.  
8 MR. SHESTACK: APPROVE.  
9 MS. KING: OSWALD STEWARD.  
10 DR. STEWARD: I NEED TO HAVE THIS VOTE LISTED  
11 AS A CONFLICT, NOT BECAUSE AN OFFICIAL ONE EXISTS NOW,  
12 BUT BECAUSE OF A POTENTIAL FUTURE SCIENTIFIC CONFLICT.  
13 MS. KING: JANET WRIGHT.  
14 DR. WRIGHT: APPROVE.  
15 MS. KING: ROBERT PRICE.  
16 DR. PRICE: APPROVE.  
17 CHAIRMAN KLEIN: ALL RIGHT. WHILE THEY'RE  
18 LOOKING AT THIS, ARE THERE ANY OTHER APPLICATIONS WE  
19 WISH TO REVIEW? COUNSEL, WE NEED -- IS IT APPROPRIATE  
20 AT THIS TIME TO DO A MOTION TO MOVE THE BALANCE TO TIER  
21 3?  
22 DR. WRIGHT: SO MOVED.  
23 CHAIRMAN KLEIN: MOVED BY DR. WRIGHT.  
24 DR. PRIETO: SECOND.  
25 CHAIRMAN KLEIN: SECOND BY FRANCISCO PRIETO.

1 DISCUSSION?

2 MS. PACHTER: CHAIRMAN KLEIN, MIGHT I SUGGEST  
3 THAT IT MIGHT BE MORE EFFICIENT TO JUST MOVE NOT TO  
4 FUND ALL REMAINING IN TIER 2 AND TIER 3?

5 CHAIRMAN KLEIN: ALL RIGHT. IS THAT A  
6 FRIENDLY AMENDMENT FOR DR. WRIGHT? DO YOU ACCEPT THAT  
7 AMENDMENT?

8 DR. WRIGHT: YES.

9 CHAIRMAN KLEIN: FRANCISCO?

10 DR. PRIETO: YES.

11 CHAIRMAN KLEIN: FIRST AND SECOND ACCEPT THE  
12 AMENDMENT. MOTION IS AS RESTATED. WE NEED A ROLL CALL  
13 VOTE ON THIS BECAUSE OF CONFLICTS. BUT FIRST, IS THERE  
14 ANY PUBLIC DISCUSSION OF THAT MOTION?

15 DR. POMEROY: BOB, COULD YOU REPEAT THE  
16 MOTION? I'M SORRY.

17 CHAIRMAN KLEIN: COUNSEL, WOULD YOU REPEAT  
18 THE MOTION?

19 MS. PACHTER: YES. MOTION IS NOT TO FUND ALL  
20 APPLICATIONS REMAINING IN EITHER TIER 2 OR TIER 3.

21 CHAIRMAN KLEIN: OKAY.

22 MS. KING: WE'RE GOING TO GO IN SEARCH OF  
23 ICOC MEMBER SHESTACK. WE NEED HIM FOR THIS VOTE.

24 MS. PACHTER: WHILE WE'RE WAITING, CHAIRMAN  
25 KLEIN, I JUST WANT TO STATE FOR THE RECORD WHAT THE



1 FOUR APPLICATIONS ARE THAT ARE REMAINING IN TIERS 2 AND  
2 TIERS 3 SO WE HAVE A CLEAR RECORD.

3 CHAIRMAN KLEIN: WHILE SHE IS DOING THAT, AMY  
4 LEWIS, IF YOU COULD BRING UP THE REVISED TOTALS ON THE  
5 SCREEN AS SOON AS YOU'RE THERE.

6 MS. KING: SHE IS WORKING ON THAT. JUST FOR  
7 THE RECORD, THE PREVIOUS MOTION ON APPLICATION 504  
8 PASSED WITH 14 YES VOTES, TWO ABSTENTIONS, INCLUDING  
9 DR. STEWARD'S, AND FOUR CONFLICTS.

10 CHAIRMAN KLEIN: AS SOON AS AMY LEWIS IS ABLE  
11 TO SHOW WHICH ONES WE'VE APPROVED, WE NEED TO ADDRESS  
12 THE COURSES. REMEMBER THERE WERE FIVE COURSES  
13 RECOMMENDED, AND WE NEED TO SEE HOW MANY INSTITUTIONS  
14 WITH COURSES HAVE APPROVED LABS, AND THEN WE NEED TO  
15 DECIDE ON THE COURSES.

16 THE TOTAL APPLICATIONS APPROVED TO DATE ARE  
17 42 MILLION 652, AND WE HAVE NOT ADDRESSED THE COURSES  
18 YET.

19 DR. CHIU: WHILE THIS IS COMING UP, MAY I  
20 JUST SUMMARIZE FOR THE GROUP THAT OF THE SHARED LABS  
21 THAT YOU HAVE APPROVED, AND REMEMBER, NO LAB, NO  
22 COURSE, SIX OF THESE WERE RECOMMENDED -- SIX OF THE  
23 COURSES IN THIS GROUP WERE RECOMMENDED FOR FUNDING BY  
24 BOTH THE GRANTS AND FACILITIES WORKING GROUP. AND I  
25 BELIEVE TWO OTHERS WERE NOT RECOMMENDED BY THE GRANTS

1 WORKING GROUP, AND BOTH WERE RECOMMENDED FOR FUNDING BY  
2 THE FACILITIES. JUST TO SUMMARIZE WHERE WE'RE AT WITH  
3 THE SHARED LABS.

4 CHAIRMAN KLEIN: ALL RIGHT. IS IT POSSIBLE  
5 TO SEE WHAT THE TOTAL DOLLARS WOULD BE FOR THE SIX  
6 COURSES THAT WERE RECOMMENDED BY THE GRANTS WORKING  
7 GROUP?

8 MS. KING: YES, IF YOU COULD DISCUSS  
9 SOMETHING ELSE FOR A MOMENT.

10 MS. PACHTER: CHAIRMAN KLEIN, FOR THE RECORD  
11 THE APPLICATIONS THAT ARE IN THIS MOTION NOT TO BE  
12 FUNDED ARE 503, 509, 510, 512, AND 517. ALL RIGHT.

13 CHAIRMAN KLEIN: WHILE WE ARE WAITING FOR JON  
14 SHESTACK TO RETURN, WHILE WE CANNOT VOTE ON THIS  
15 MOTION, COUNSEL, CAN WE TABLE THIS MOTION WAITING FOR  
16 HIS RETURN?

17 MS. PACHTER: I THINK WE'RE DETERMINING THAT  
18 WE MAY NOT NEED MEMBER SHESTACK TO RETURN. WE HAVE 19.  
19 WE CAN TAKE THE VOTE ON THE MOTION NOT TO FUND ALL  
20 APPLICATIONS REMAINING IN TIERS 2 AND 3.

21 CHAIRMAN KLEIN: ALL RIGHT. FINE. SO I'D  
22 LIKE A ROLL CALL VOTE.

23 MS. KING: RICARDO AZZIZ.

24 DR. AZZIZ: APPROVED EXCEPT FOR THOSE  
25 APPLICATIONS WITH WHICH I HAVE A CONFLICT.

1 MS. KING: DAVID BALTIMORE.  
2 DR. BALTIMORE: APPROVED EXCEPT FOR  
3 CONFLICTS.  
4 MS. KING: ROBERT PRICE.  
5 DR. PRICE: APPROVED.  
6 MS. KING: DAVID BRENNER.  
7 DR. BRENNER: APPROVE EXCEPT FOR CONFLICTS.  
8 MS. KING: SUE DUCKLES.  
9 DR. DUCKLES: APPROVED EXCEPT FOR CONFLICTS.  
10 MS. KING: MICHAEL FRIEDMAN.  
11 DR. FRIEDMAN: APPROVED EXCEPT FOR CONFLICTS.  
12 MS. KING: FRANK MARKLAND.  
13 DR. MARKLAND: APPROVED EXCEPT FOR CONFLICTS.  
14 MS. KING: DAVID KESSLER.  
15 DR. KESSLER: APPROVED EXCEPT FOR CONFLICTS.  
16 MS. KING: BOB KLEIN.  
17 CHAIRMAN KLEIN: APPROVED.  
18 MS. KING: SHERRY LANSING.  
19 MS. LANSING: APPROVED EXCEPT WHERE I HAVE  
20 CONFLICTS.  
21 MS. KING: GERALD LEVEY.  
22 DR. LEVEY: APPROVED EXCEPT WHERE I HAVE  
23 CONFLICTS.  
24 MS. KING: ED PENHOET.  
25 DR. PENHOET: APPROVE.

1 MS. KING: PHIL PIZZO.  
2 DR. PIZZO: APPROVED EXCEPT FOR CONFLICTS.  
3 MS. KING: CLAIRE POMEROY.  
4 DR. POMEROY: APPROVE.  
5 MS. KING: FRANCISCO PRIETO.  
6 DR. PRIETO: APPROVE.  
7 MS. KING: DUANE ROTH.  
8 MR. ROTH: APPROVE.  
9 MS. KING: JEFF SHEEHY.  
10 MR. SHEEHY: APPROVED EXCEPT FOR THOSE WITH  
11 WHICH I'M IN CONFLICT.  
12 MS. KING: OSWALD STEWARD.  
13 DR. STEWARD: APPROVED EXCEPT FOR CONFLICTS.  
14 MS. KING: JANET WRIGHT.  
15 DR. WRIGHT: APPROVE.  
16 CHAIRMAN KLEIN: ALL RIGHT. DR. CHIU.  
17 DR. CHIU: WHILE WE'RE WAITING FOR THINGS TO  
18 SHOW UP ON THE SCREEN, IF I COULD REFER YOU TO YOUR  
19 BOOK TO THAT PAGE AGAIN. YOU CAN SEE THE COURSES  
20 RELATIVELY EASY NOW, AND I COULD SUMMARIZE FOR YOU IF  
21 YOU JUST FOLLOW ME IN THE BOOK.  
22 THE ONE WHERE RANK ORDER IS BASED ON GRANTS  
23 WORKING GROUP SCORES, IF YOU WOULD LOOK, THE WAY IT'S  
24 FRAMED NOW, THE SECOND BLUE COLUMN GIVES YOU THE SCORES  
25 OF THE COURSES. AND YOU CAN SEE THAT THERE ARE ONE,

1 TWO, THREE, FOUR, FIVE, SIX THAT ARE RECOMMENDED, AND  
2 YOU CAN SEE THE SCORES OF THOSE SIX.

3 IF YOU LOOK DOWN, YOU WILL SEE 500 AND 504.  
4 THEY ALSO HAVE COURSES, BUT THEY HAVE RED NR'S WHICH  
5 ARE NOT RECOMMENDED. JUST SO YOU KNOW WHERE WE ARE  
6 RIGHT NOW, THOSE ARE SOME OF THE ONES THAT WE'RE  
7 CONSIDERING. THESE ARE ALL THE COURSES THAT WE'RE  
8 CONSIDERING RIGHT NOW.

9 CHAIRMAN KLEIN: I'D LIKE TO IN CONTEXT  
10 INDICATE TO THE BOARD THAT IF WE LOOK AT WHAT WE'VE  
11 APPROVED ON THE APPLICATIONS TO DATE, WE HAVE 42  
12 MILLION 652. THE TOTAL OF ALL SIX RECOMMENDED COURSES  
13 WITH SCIENTIFIC SCORES FROM THE SCIENTIFIC WORKING  
14 GROUP, IT WOULD BE 7 MILLION 822.

15 NOW, IF YOU WERE TO APPROVE ALL OF THOSE, YOU  
16 WOULD BE SLIGHTLY OVER THE BUDGET, BUT POTENTIALLY THIS  
17 IS SHOWN ON THE SCREEN BEHIND US. IT APPEARS THAT WE  
18 HAVE SUFFICIENT FULLY RECOMMENDED COURSES FROM THE  
19 SCIENTIFIC GRANTS WORKING GROUP TO MORE THAN COVER THE  
20 BUDGETED AMOUNT FOR THE SHARED LABS. AND THE  
21 CONSIDERATION HERE IS PERHAPS WE CAN JUST FOCUS ON  
22 THOSE THAT COME WITH A FULL SCIENTIFIC RECOMMENDATION.

23 AMONG THOSE WITH THE SCIENTIFIC  
24 RECOMMENDATION, THERE ARE COURSES THAT HAVE DIFFERENT  
25 FOCUSES. DR. CHIU, HOW WOULD YOU LIKE TO DIRECT US TO

1 THE ISSUE OF THE HIGHLIGHTS OF THE COURSES? AND THE  
2 FUNDAMENTAL QUESTION IS DO EACH OF THESE COURSES ADD  
3 SOMETHING DIFFERENT, OR ARE THERE, IF YOU WERE TO LOOK  
4 AT THE SCORES, IF YOU WERE TO LOOK AT THE LOWEST TWO OR  
5 THREE SCORES ON THE COURSES OF THOSE THAT COME WITH A  
6 RECOMMENDATION, IS THERE ANYTHING THAT THEY OFFER OF  
7 SPECIAL SIGNIFICANCE TO THE MISSION WE HAVE?

8 DR. CHIU: I WOULD DIRECT THOSE PARTICULAR  
9 APPLICATIONS TO THE SCIENTIFIC OFFICERS WHO ARE MOST  
10 FAMILIAR WITH THEM. IF YOU ARE TALKING ABOUT 501 AND  
11 524, THE COURSES, WE'D BE HAPPY TO PROVIDE FACTUAL  
12 INFORMATION FROM THE REVIEWS.

13 CHAIRMAN KLEIN: ALL RIGHT. WOULD IT BE  
14 ACCEPTABLE TO THE BOARD TO LOOK AT THOSE LOWER RANKING  
15 COURSES AMONG THOSE RECOMMENDED TO SEE WHAT THEIR  
16 COMPETITIVE STRATEGIC VALUE IS TO OUR MISSION? SEEING  
17 NO DISAGREEMENT, DR. CHIU, COULD YOU PLEASE LEAD US  
18 THROUGH THAT WITH THE REVIEWER THAT'S APPROPRIATE?

19 DR. CHIU: ARE THERE NO QUESTIONS REGARDING  
20 THE OTHER SCORING COURSES FIRST?

21 CHAIRMAN KLEIN: WELL, WHAT WE'LL DO IS  
22 ADDRESS THESE FIRST.

23 DR. CHIU: SO THE LOWEST SCORING IS 501, AND  
24 I BELIEVE I AM THE PROGRAM OFFICER FOR THAT.

25 MS. HOFFMAN: EXCUSE ME, DR. CHIU, BEFORE YOU

1 BEGIN. CHAIRMAN KLEIN, POINT OF CLARIFICATION. SO  
2 THERE ARE CURRENTLY ABOVE THE LINE, MEANING THOSE THAT  
3 HAVE APPROVED COURSES, THERE ARE SIX THAT HAVE BEEN  
4 RECOMMENDED BY BOTH THE FACILITIES WORKING GROUP AND  
5 THE GRANTS WORKING GROUP. AND THEN THERE ARE TWO THAT  
6 THE SCIENTIFIC SCORES HAVE NOT BEEN RECOMMENDED BY THE  
7 GRANTS WORKING GROUP.

8 SO ARE YOU ASKING DR. CHIU TO GO THROUGH  
9 THOSE SIX THAT HAVE BOTH GRANTS WORKING GROUP AND  
10 FACILITIES WORKING GROUP RECOMMENDED?

11 CHAIRMAN KLEIN: I'M ASKING DR. CHIU TO GO  
12 THROUGH THE LOWEST TWO SCORES OF THOSE WHO HAVE A JOINT  
13 RECOMMENDATION.

14 MS. HOFFMAN: JUST FOR MY OWN POINT OF  
15 REFERENCE, THEN, FOR 500 AND 504, YOU'RE NOT ASKING FOR  
16 THOSE SCORES?

17 CHAIRMAN KLEIN: 500 -- WE WILL ADDRESS THAT  
18 AS THE NEXT STEP, BUT AT THIS POINT WE'RE GOING TO TRY  
19 AND LOOK AT THE BOTTOM TWO, AND THEN WE WILL ADDRESS  
20 500.

21 DR. CHIU: SO BRINGING TO YOUR ATTENTION  
22 APPLICATION NO. 501 WITH A SCIENTIFIC COURSE SCORE OF  
23 72. THE PLAN FOR THE COURSE IS TO OFFER TWO COURSES,  
24 ONE BASIC AND A SECOND ADVANCED COURSE. EACH COURSE  
25 WILL BE GIVEN TWICE A YEAR WITH FOUR COURSES IN TOTAL.

1 THE PROGRAM DIRECTOR HAS SIGNIFICANT EXPERIENCE IN  
2 INSTRUCTION AND IN LEADERSHIP OF EMBRYONIC STEM CELL  
3 COURSES AND HAS ALREADY RUN A COURSE AT THE HOME  
4 INSTITUTION IN 2006.

5 FACULTY AND ORGANIZATION OF THE COURSE IS  
6 VERY STRONGLY INFLUENCED BY A STRONG COLLABORATING PI  
7 WHO IS NOT AT THE HOME INSTITUTION, BUT WHO IS VERY  
8 WELL KNOWN FOR HUMAN EMBRYONIC STEM CELL TECHNOLOGY  
9 DEVELOPMENT.

10 THE NAMES AND PARTICIPATION OF ADDITIONAL  
11 SENIOR FACULTY WOULD HAVE STRENGTHENED THE APPLICATION.

12 THESE WILL BE FIVE-DAY COURSES TEACHING BASIC  
13 HUMAN EMBRYONIC STEM CELL HANDLING AND DIFFERENTIATION.

14 THE COURSE SCHEDULE IS QUITE REASONABLE BASED ON A  
15 SIMILAR COURSE THAT THEY HAVE ALREADY TAUGHT.

16 DIFFERENTIATION TECHNIQUES TO BE TAUGHT ARE SOMEWHAT  
17 LIMITED WITH FOCUS PRIMARILY ON DIFFERENTIATION OF  
18 CELLS IN THE CENTRAL NERVOUS SYSTEM. THERE WOULD BE A  
19 BROADER FOCUS ON OTHER TISSUE TYPES SUCH AS  
20 MESENODERMAL DIFFERENTIATION WITH THE INCLUSION OF  
21 APPROPRIATE FACULTY. I TAKE THAT BACK. THERE COULD BE  
22 BROADER FOCUS, THE BOARD FELT, THE PANEL FELT.

23 THE FIVE-DAY COURSES SEEM RATHER SHORT FOR  
24 LEARNING HOW TO WORK WITH HUMAN EMBRYONIC STEM CELLS.  
25 PLANS ARE PROVIDED FOR ADVERTISING THE EVENT AND FOR



1 OUTREACH AND FOLLOW-UP. FOLLOW-UP INCLUDES CONTINUED  
2 TROUBLESHOOTING PER PHONE CALL AND E-MAIL, DISTRIBUTION  
3 OF A CD CONTAINING INFORMATION OF THE COURSES, AND  
4 ESTABLISHMENT OF A NETWORK OF FORMER COURSE  
5 PARTICIPANTS.

6 COURSES WILL BE PROVIDED FREE AND ACCESS WILL  
7 BE PROVIDED ON A FIRST COME-FIRST SERVE BASIS.  
8 HOWEVER, POSSIBLE SELECTION CRITERIA ARE DISCUSSED,  
9 ESPECIALLY FOR THE ADVANCED COURSE.

10 QUALIFICATIONS, THE INSTITUTION IS QUALIFIED  
11 TO CARRY OUT THE COURSE, HAS SUCCESSFULLY GIVEN ONE.  
12 THERE IS CLEAR COMMITMENT TO STEM CELL RESEARCH AND TO  
13 DEVELOPING A LEADERSHIP POSITION IN THE FIELD. THIS  
14 PARTICULAR INSTITUTION IS VERY FOCUSED ON THE AREA OF  
15 NEURODEGENERATION AND ON AGING. VERY GENEROUS  
16 AVAILABILITY OF SPACE IS ANOTHER SIGN OF COMMITMENT OF  
17 THE INSTITUTION. THE LOCATION IS WITHIN REASONABLE  
18 REACH TO A BROAD COMMUNITY OF POTENTIAL INVESTIGATORS.

19 SO THE DISCUSSION, THE COURSE, WELL-DESIGNED,  
20 WELL-PLANNED, WELL-WRITTEN UP. ONE REVIEWER WOULD LIKE  
21 THE COURSE TO BE LONGER. THE INSTITUTE HAS DONE THIS  
22 IN THE PAST. IT WOULD HAVE BEEN NICE TO HAVE SEEN THE  
23 EVALUATIONS OF LAST YEAR'S COURSE. THOSE WERE NOT  
24 PROVIDED. ONE REVIEWER WOULD LIKE TO SEE BROADER  
25 EXPERTISE OUTSIDE OF THE CENTRAL NERVOUS SYSTEM.

1 OTHERS STATE THAT THE NEUROCENTRIC COURSE IS GOOD  
2 BECAUSE THERE IS WHERE THEIR EXPERTISE LIES. THERE ARE  
3 OTHER COURSES AVAILABLE AND INSTRUCTION CAN BE FOUND  
4 ELSEWHERE FOR OTHER TOPICS.

5 THE COURSE LAYOUT INCLUDED HOW IT WOULD WORK,  
6 BE MANAGED, BE ADVERTISED, AND ITS BASIC SETUP WERE  
7 WELL DESCRIBED. THERE WAS A CLEAR COMMITMENT FOR 2500  
8 SQUARE FOOT SPACE ALLOCATION FOR THE COURSE.

9 IN PROGRAMMATIC REVIEW, A MOTION WAS MADE TO  
10 RECOMMEND IT. THERE WAS CONCERN THAT THE PROGRAM  
11 DIRECTOR, BEING A YOUNG INVESTIGATOR, IS ALREADY BEING  
12 OVERLOADED BY RESPONSIBILITIES FOR THE SHARED LABS.  
13 BUT THEY DIDN'T FEEL THIS WAS NECESSARILY THE CASE FOR  
14 THE COURSE BECAUSE OF THE COLLABORATOR. REVIEWERS FELT  
15 THAT THE PROGRAM DIRECTOR HAS THE TECHNICAL EXPERTISE  
16 AND THAT THE COURSE IS GOOD. THE MAIN CONCERN WAS THE  
17 COLLABORATOR IS LOCATED ON THE EAST COAST AND WILL HAVE  
18 TO COME OUT FOR THE COURSE.

19 THE MOTION WAS FIRST MADE TO NOT FUND THIS  
20 COURSE, AND THAT MOTION FAILED. A SECOND MOTION WAS  
21 THEN MADE TO RECOMMEND THE COURSE FOR FUNDING, AND THIS  
22 PASSED.

23 CHAIRMAN KLEIN: AGAIN --

24 MS. PACTER: MR. CHAIR, FOR YOUR  
25 INFORMATION, THE MEMBERS RECUSED AS TO THIS APPLICATION

1 ARE KESSLER, LANSING, PENHOET, PRICE, SHEEHY, AND  
2 STEWARD.

3 CHAIRMAN KLEIN: AGAIN, THE NUMBER FOR  
4 EVERYONE'S BENEFIT.

5 MS. PACHTER: 501.

6 CHAIRMAN KLEIN: OKAY. FOR COMPARATIVE  
7 PURPOSES, SHOULD WE REVIEW THE OTHER COURSE AND THEN  
8 DECIDE WHETHER THERE ARE MOTIONS IN ORDER?

9 DR. CHIU: THE OTHER COURSE IS 524, AND I  
10 BELIEVE GIL SAMBRANO WILL LEAD THAT.

11 DR. SAMBRANO: THIS SHARED RESEARCH LAB  
12 COURSE IS ONE ON CURRENT PROTOCOLS IN HUMAN EMBRYONIC  
13 STEM CELL RESEARCH WHICH IS MEANT TO PROVIDE  
14 COMPREHENSIVE PRACTICAL TRAINING TO HUMAN EMBRYONIC  
15 STEM CELL INVESTIGATORS. IT WILL BE RUN BOTH BY THE  
16 DIRECTOR AND THE LAB MANAGER WITH ASSISTANCE FROM FIVE  
17 SCIENTISTS WHO HAVE HUMAN EMBRYONIC STEM CELL  
18 EXPERIENCE FROM NEIGHBORING INSTITUTIONS.

19 THE QUALITY OF THE TOPICS AND THE NATURE OF  
20 THE INFORMATION WERE CONSIDERED TO BE EXCELLENT. THE  
21 COURSE IS TO BE A SHORT FIVE-DAY DURATION WITH ONLY  
22 AFTERNOONS AVAILABLE FOR ACTUAL PRACTICAL LABORATORY  
23 WORK. AND THE GRANTS WORKING GROUP FELT THAT THAT  
24 MIGHT NOT PROVIDE ENOUGH ADEQUATE TIME TO DEVELOP  
25 TECHNICAL SKILLS, AND THAT IT WOULD REQUIRE MORE

1 HANDS-ON EXPERIENCE USING ONE-ON-ONE TUTORING.

2 THE QUALIFICATIONS OF THE INSTRUCTORS  
3 THEMSELVES WERE THOUGHT TO BE REMARKABLE. BOTH THE  
4 COMBINED EXPERIENCE AND THEIR AWARENESS OF UP-TO-DATE  
5 PROTOCOLS WERE THOUGHT TO PERHAPS BE UNMATCHED.

6 A PARTICULAR ENHANCEMENT WAS NOTED AS THE  
7 PARTICIPATION OF TWO COLLABORATORS WHO HAVE EXPERIENCE  
8 IN RUNNING THESE TYPES OF COURSES, ONE INDIVIDUAL WHO  
9 HAS TWO YEARS OF EXPERIENCE AND ANOTHER THAT HAS THREE  
10 YEARS OF EXPERIENCE IN RUNNING TRAINING COURSES IN  
11 HUMAN EMBRYONIC STEM CELL CULTURE METHODS.

12 THERE IS ALSO A MANUAL THAT WAS ASSEMBLED BY  
13 ONE OF THESE INDIVIDUALS THAT WILL BE USED FOR THE  
14 COURSE.

15 DURING THEIR DISCUSSION, THE GRANTS WORKING  
16 GROUP NOTED THAT THERE IS A LARGE AMOUNT OF MATERIAL  
17 FOR JUST A FIVE-DAY COURSE, AND THIS IS MOSTLY  
18 DIDACTIC, NOT ANYTHING THAT WAS PARTICULARLY NOVEL.  
19 AND SO, AGAIN, IT WOULD NOT IMPART MUCH TECHNICAL  
20 EXPERTISE TO TRAINEES, AND THAT WOULD HAVE TO COME FROM  
21 ONE-ON-ONE TUTORING.

22 AND THE FINAL NOTE, A WEAKNESS WAS NOTED THAT  
23 THE COURSES PROPOSED ARE SHORT, ALTHOUGH THE  
24 QUALIFICATIONS OF THE INVESTIGATORS ARE GOOD AND  
25 INCLUDE TRANSLATIONAL RESEARCH.

1 MS. PACHTER: MR. CHAIR, FOR THE RECORD THE  
2 CONFLICTS ON 524 ARE MEMBERS AZZIZ, BALTIMORE,  
3 FRIEDMAN, LEVEY, MARKLAND, PENHOET, AND LANSING.

4 CHAIRMAN KLEIN: LET ME GET A CLARIFICATION  
5 HERE. DR. CHIU, THE FACILITIES COURSE SCORE FOR 524  
6 WAS 91.

7 DR. CHIU: YES. RICK KELLER CAN ADDRESS  
8 THAT.

9 CHAIRMAN KLEIN: AND WHAT WAS THE SCIENTIFIC  
10 SCORE FOR 524 FOR THE COURSE?

11 DR. SAMBRANO: 78.

12 DR. CHIU: IT'S 78.

13 CHAIRMAN KLEIN: ALL RIGHT. WHAT IS THE  
14 PLEASURE OF THE BOARD? DO YOU WANT TO REVIEW ANY OF  
15 THE HIGHER SCIENTIFIC SCORES FOR THE COURSE, OR WOULD  
16 YOU LIKE TO ADDRESS --

17 DR. POMEROY: BOB, I'LL MAKE A MOTION. I  
18 MOVE THAT WE FUND THESE SIX AND JUST THESE SIX TRAINING  
19 COURSES.

20 DR. WRIGHT: SECOND.

21 CHAIRMAN KLEIN: OKAY. AND CAN WE CONFIRM  
22 DR. POMEROY DOES NOT HAVE ANY CONFLICTS; IS THAT  
23 CORRECT?

24 MS. PACHTER: THAT'S CORRECT.

25 CHAIRMAN KLEIN: AND THE SECOND WAS DR.

1 WRIGHT. ALL RIGHT. ADDITIONAL DISCUSSION ON FUNDING  
2 THESE SIX?

3 MS. PACHTER: FOR THE RECORD, THESE SIX WE'RE  
4 REFERRING TO ARE 518, 511, 520, 523, 501, AND 524.

5 CHAIRMAN KLEIN: ALL RIGHT.

6 MS. PACHTER: I'M SORRY. DR. POMEROY, YOU'RE  
7 CONFLICTED AS TO 518, SO WE'LL NEED SOMEBODY ELSE TO  
8 MAKE THAT MOTION.

9 DR. POMEROY: I APOLOGIZE.

10 DR. WRIGHT: I'LL MOVE.

11 MR. ROTH: I'LL SECOND.

12 CHAIRMAN KLEIN: DUANE ROTH WILL SECOND.

13 ADDITIONAL DISCUSSION ON THIS MOTION? DISCUSSION BY  
14 THE PUBLIC ON THIS MOTION? SEEING NO DISCUSSION BY THE  
15 BOARD OR THE PUBLIC, COUNSEL, JEFF SHEEHY IS IN THE  
16 ROOM.

17 MS. KING: AND JON SHESTACK IS ON HIS WAY  
18 BACK.

19 CHAIRMAN KLEIN: AND JON SHESTACK IS ON HIS  
20 WAY BACK. AND FOR THE BENEFIT OF THE PUBLIC, WE'RE  
21 TRYING TO GET A CLEARANCE FROM COUNSEL ON THE VOTE TO  
22 MAKE SURE THAT THE CONFLICTS INVOLVED DO NOT ENCROACH  
23 UPON OUR QUORUM FOR PURPOSES OF THIS VOTE.

24 MS. PACHTER: WE REQUIRE MEMBER SHESTACK TO  
25 BE HERE IN ORDER TO TAKE THIS VOTE.

1 MS. KING: HE IS ON HIS WAY.

2 CHAIRMAN KLEIN: THERE'S AN EXCELLENT  
3 SUGGESTION HERE IS THAT RATHER THAN DOING VOTING BY A  
4 GROUP, IS THERE -- HERE'S JON SHESTACK. FINE. OKAY.

5 MEMBER SHESTACK, THE MOTION IS TO APPROVE THE  
6 SIX COURSES RECOMMENDED BY THE SCIENTIFIC GRANTS  
7 WORKING GROUP. I WOULD LIKE A ROLL CALL VOTE. AND WE  
8 HAVE THE BENEFIT OF SHERRY LANSING RETURNING AS WELL.  
9 SHERRY, THE MOTION IS TO APPROVE THE SIX COURSES  
10 RECOMMENDED BY THE SCIENTIFIC AND MEDICAL GRANTS  
11 WORKING GROUP.

12 MS. LANSING: THANK YOU.

13 CHAIRMAN KLEIN: REMEMBER TO VOTE EXCEPT FOR  
14 THOSE WITH WHICH YOU ARE RECUSED OR ABSTAIN.

15 MS. KING: RICARDO AZZIZ.

16 DR. AZZIZ: APPROVE EXCEPT FOR THOSE  
17 APPLICATIONS WITH WHICH I HAVE A CONFLICT.

18 MS. KING: DAVID BALTIMORE.

19 DR. BALTIMORE: APPROVED EXCEPT FOR  
20 CONFLICTS.

21 MS. KING: ROBERT PRICE.

22 DR. PRICE: APPROVED EXCEPT WHERE I HAVE A  
23 CONFLICT.

24 MS. KING: DAVID BRENNER.

25 DR. BRENNER: APPROVE EXCEPT I HAVE A

1 CONFLICT.

2 MS. KING: SUE DUCKLES.

3 DR. DUCKLES: APPROVED EXCEPT FOR CONFLICTS.

4 MS. KING: MICHAEL FRIEDMAN.

5 DR. FRIEDMAN: APPROVED EXCEPT FOR CONFLICTS.

6 MS. KING: FRANK MARKLAND.

7 DR. MARKLAND: APPROVED EXCEPT FOR CONFLICTS.

8 MS. KING: DAVID KESSLER.

9 DR. KESSLER: APPROVED EXCEPT FOR CONFLICTS.

10 MS. KING: BOB KLEIN.

11 CHAIRMAN KLEIN: APPROVED.

12 MS. KING: SHERRY LANSING.

13 MS. LANSING: APPROVED EXCEPT WHERE I AM

14 CONFLICTED.

15 MS. KING: GERALD LEVEY.

16 DR. LEVEY: APPROVED EXCEPT FOR CONFLICTS.

17 MS. KING: ED PENHOET.

18 DR. PENHOET: APPROVE EXCEPT FOR CONFLICTS.

19 MS. KING: PHIL PIZZO.

20 DR. PIZZO: APPROVED EXCEPT FOR CONFLICTS.

21 MS. KING: CLAIRE POMEROY.

22 DR. POMEROY: APPROVED EXCEPT FOR CONFLICTS.

23 MS. KING: FRANCISCO PRIETO.

24 DR. PRIETO: YES.

25 MS. KING: DUANE ROTH.



1 MR. ROTH: YES.

2 MS. KING: JEFF SHEEHY.

3 MR. SHEEHY: APPROVED EXCEPT FOR THOSE WITH  
4 WHICH I HAVE A CONFLICT.

5 MS. KING: JON SHESTACK.

6 MR. SHESTACK: YES.

7 MS. KING: OSWALD STEWARD.

8 DR. STEWARD: APPROVED EXCEPT FOR CONFLICTS.

9 MS. KING: JANET WRIGHT.

10 DR. WRIGHT: YES.

11 MS. KING: THAT MOTION CARRIES UNANIMOUSLY.

12 CHAIRMAN KLEIN: EXCEPT FOR THOSE FOR WHICH  
13 THERE IS A CONFLICT OR AN ABSTENTION.

14 MS. PACTER: MR. CHAIR, I'D RECOMMEND THAT  
15 YOU CALL FOR A MOTION VOTING NOT TO FUND THE THREE  
16 OTHER APPLICATIONS, WHICH ARE 500, 504, AND 517 FOR  
17 WHICH A SHARED LAB WAS APPROVED.

18 CHAIRMAN KLEIN: THANK YOU, COUNSEL. WOULD  
19 SOMEONE LIKE TO MAKE THAT MOTION?

20 DR. PIZZO: SO MOVED.

21 CHAIRMAN KLEIN: SO MOVED BY DR. PIZZO. WHO  
22 ARE THE CONFLICTS ON THOSE THREE, PLEASE?

23 MR. ROTH: I'LL MAKE A MOTION THAT WE NOT  
24 FUND THE REMAINING ONES.

25 DR. WRIGHT: SECOND.

1                   CHAIRMAN KLEIN:  MADE BY DUANE ROTH AND  
2                   SECONDED BY DR. WRIGHT.  ANY MEMBER DISCUSSION ON THIS  
3                   MOTION?  SEEING NO MEMBER DISCUSSION, ANY PUBLIC  
4                   DISCUSSION?  NO PUBLIC DISCUSSION, ROLL CALL, PLEASE.  
5                   MS. KING:  RICARDO AZZIZ.  
6                   DR. AZZIZ:  APPROVED.  
7                   MS. KING:  DAVID BALTIMORE.  
8                   DR. BALTIMORE:  APPROVED EXCEPT WHERE I HAVE  
9                   A CONFLICT.  
10                  DR. AZZIZ:  YEAH.  
11                  MS. KING:  SAME FOR DR. AZZIZ.  ROBERT PRICE.  
12                  DR. PRICE:  APPROVED EXCEPT WHERE I MAY HAVE  
13                  A CONFLICT.  
14                  MS. KING:  DAVID BRENNER.  
15                  DR. BRENNER:  APPROVED EXCEPT I HAVE A  
16                  CONFLICT.  
17                  MS. KING:  SUE DUCKLES.  
18                  DR. DUCKLES:  APPROVED EXCEPT FOR CONFLICTS.  
19                  MS. KING:  MICHAEL FRIEDMAN.  
20                  DR. FRIEDMAN:  APPROVED EXCEPT FOR CONFLICTS.  
21                  MS. KING:  FRANK MARKLAND.  
22                  DR. MARKLAND:  APPROVED EXCEPT FOR CONFLICTS.  
23                  MS. KING:  DAVID KESSLER.  
24                  DR. KESSLER:  APPROVED EXCEPT FOR CONFLICTS.  
25                  MS. KING:  BOB KLEIN.

1 CHAIRMAN KLEIN: APPROVED.  
2 MS. KING: SHERRY LANSING.  
3 MS. LANSING: APPROVED EXCEPT WHERE I HAVE A  
4 CONFLICT.  
5 MS. KING: GERALD LEVEY.  
6 DR. LEVEY: APPROVED EXCEPT WHERE I HAVE A  
7 CONFLICT.  
8 MS. KING: ED PENHOET.  
9 DR. PENHOET: APPROVE EXCEPT FOR CONFLICTS.  
10 MS. KING: PHIL PIZZO.  
11 DR. PIZZO: APPROVED EXCEPT FOR CONFLICTS.  
12 MS. KING: CLAIRE POMEROY.  
13 DR. POMEROY: APPROVED EXCEPT FOR CONFLICTS.  
14 MS. KING: FRANCISCO PRIETO.  
15 DR. PRIETO: APPROVED.  
16 MS. KING: DUANE ROTH.  
17 MR. ROTH: YES.  
18 MS. KING: JEFF SHEEHY.  
19 MR. SHEEHY: APPROVED EXCEPT FOR THOSE WHERE  
20 I HAVE A CONFLICT.  
21 MS. KING: JON SHESTACK.  
22 MR. SHESTACK: APPROVED.  
23 MS. KING: OSWALD STEWARD.  
24 DR. STEWARD: APPROVED EXCEPT FOR CONFLICTS.  
25 MS. KING: JANET WRIGHT.

1 DR. WRIGHT: APPROVE.

2 MS. KING: THAT MOTION CARRIES AS WELL.

3 CHAIRMAN KLEIN: OKAY. I'D LIKE TO INDICATE  
4 THAT THE ACTION TODAY APPROVES 16 SHARED LABS AND SIX  
5 COURSES FOR A TOTAL OF \$50,475,000. IT IS AN  
6 INFRASTRUCTURE BUILDING COMMITMENT TO THE STATE OF  
7 CALIFORNIA TO MAKE CERTAIN WE HAVE SHARED LABS TO  
8 RESOURCE THE OUTSTANDING SPECIALIZED CAPACITY OF MANY  
9 OF THE INSTITUTIONS IN THE STATE AND TO BUILD NEW  
10 CAPACITY FOR JUNIOR INVESTIGATORS AND BEGINNING  
11 PROGRAMS TO DEVELOP THOSE PROGRAMS.

12 I WOULD COMMENT THAT DURING THE SCIENTIFIC  
13 AND FACILITIES MEETINGS, FACILITIES MEETING IN  
14 PARTICULAR, THERE WERE STRONG STATEMENTS MADE DURING  
15 THE FACILITIES MEETING THAT THERE WILL BE EXTREME RIGOR  
16 APPLIED DURING THE MAJOR FACILITIES GRANTS CYCLE WHICH  
17 WILL COME UPON US STARTING ON AUGUST 5TH WITH THE  
18 CONCEPT APPROVAL THAT'S PROPOSED.

19 THE PURPOSE OF THE FOUR PUBLIC HEARINGS IS TO  
20 HAVE AN ACUTE DEFINITION TO THE EXTENT POSSIBLE OF OUR  
21 POLICIES, OUR RULES, OUR DEFINITIONS, AND THE CONTEXT  
22 FOR -- AS WELL AS JUSTIFICATION OF OUR MAJOR FACILITIES  
23 PROGRAM SO THAT WE CAN HAVE QUALITATIVELY A TIGHT  
24 APPLICATION WRITTEN FOR THE BENEFIT OF THE MAJOR  
25 FACILITIES APPLICATIONS.

1                   SO WHEREAS THIS WAS OUR FIRST FACILITIES  
2   APPLICATION THAT WAS TO BUILD INFRASTRUCTURE, WE WERE  
3   LEARNING IN THIS PROCESS. WE EXPECT A MUCH MORE  
4   RIGOROUS AND TOUGH COMPETITIVE PROCESS IN THE NEXT  
5   ROUND WHICH WILL BE MAJOR FACILITIES. AND HOPEFULLY  
6   EVERYONE IS AWARE THAT WHERE THERE WAS GRACE OR THERE  
7   WAS A DEFERENCE TO TRY TO BUILD CAPACITY HERE IN THIS  
8   ROUND, IT WILL BE A VERY TOUGH, DISCIPLINED COMPETITION  
9   WITH MUCH GREATER CLARITY IN THE NEXT ROUND.

10                  OKAY. AT THIS POINT I'D LIKE TO CONFER WITH  
11   STAFF BECAUSE WE HAVE A COUPLE OF CRITICAL ITEMS THAT  
12   NEED TO BE PASSED VERY QUICKLY, IF WE CAN, BEFORE WE  
13   BREAK. AND THE GAP POLICY.

14                  MS. KING: THE FACILITIES GAP.

15                  CHAIRMAN KLEIN: THE FACILITIES GAP POLICY  
16   SHOULD BE A NARROW BINDER THAT YOU HAVE.

17                  MS. KING: IT'S AGENDA ITEM NO. 12, AND IF  
18   YOU PICK UP YOUR THIN BINDER AND LOOK BEHIND TAB 12.  
19   THANK YOU.

20                  ALSO, CHAIRMAN KLEIN, BEFORE WE MOVE TO THAT,  
21   YOU MAY JUST WANT TO CLARIFY FOR THE MEMBERS OF THE  
22   PUBLIC WITH US THAT THAT CONCLUDED THE CONSIDERATION BY  
23   THE ICOC OF THE SHARED LABS AND TECHNIQUES COURSE GRANT  
24   APPLICATIONS.

25                  CHAIRMAN KLEIN: THANK YOU FOR THAT

1 CLARIFICATION.

2 (APPLAUSE.)

3 CHAIRMAN KLEIN: ALL RIGHT. AS TO ITEM 12,  
4 CONSIDERATION OF FACILITIES GRANT ADMINISTRATION  
5 POLICIES, WE'RE LOOKING TO RICK KELLER, WHO WILL  
6 INTRODUCE THIS ITEM.

7 MR. KELLER: THE PROPOSED POLICY BEFORE YOU  
8 RELATES TO THOSE ASPECTS OF THE GRANT ADMINISTRATION  
9 APPLICABLE TO THE SHARED FACILITIES AND TECHNIQUES  
10 COURSE RFA 0701. WE HAVE A RECOMMENDATION FROM THE  
11 FACILITIES WORKING GROUP THAT MET LAST WEEK THAT YOU  
12 APPROVE THESE ADDITIONAL GRANT ADMINISTRATION POLICIES  
13 THAT ARE SPECIFIC TO CAPITAL NEEDS SINCE YOU PREVIOUSLY  
14 HAD APPROVED IN OCTOBER THE GENERAL GRANTS  
15 ADMINISTRATION POLICY.

16 DR. WRIGHT: I MOVE APPROVAL OF THE INTERIM  
17 POLICY.

18 CHAIRMAN KLEIN: DR. WRIGHT MOVES APPROVAL.  
19 IS THERE A SECOND?

20 MR. ROTH: SECOND.

21 CHAIRMAN KLEIN: DUANE ROTH IS THE SECOND.  
22 DISCUSSION OF THE ITEM AMONG THE BOARD? COMMITTEE  
23 APPROVAL ON THIS ITEM WAS DONE THROUGH THE FACILITIES  
24 GROUP AT WHICH MEETING?

25 MR. KELLER: MAY 31ST MEETING.

1                   CHAIRMAN KLEIN:  THANK YOU.

2                   CHAIRMAN KLEIN:  AND, DR. CHIU, DO YOU HAVE  
3 ANY COMMENTS THAT YOU'D LIKE TO MAKE AS TO THIS POLICY?

4                   DR. CHIU:  NO, THANK YOU, MR. CHAIRMAN.

5                   CHAIRMAN KLEIN:  ALL RIGHT.  WOULD ANY MEMBER  
6 OF THE FACILITIES GROUP LIKE TO MAKE A COMMENT?

7                   MR. SHEEHY:  NO.

8                   CHAIRMAN KLEIN:  ALL RIGHT.  SO THE  
9 FACILITIES GROUP FEELS IT'S BEEN ADEQUATELY REVIEWED,  
10 AND STAFF FEELS IT'S BEEN ADEQUATELY REVIEWED.  NO  
11 ADDITIONAL BOARD COMMENTS.  IS THERE PUBLIC COMMENT?  
12 SEEING NO PUBLIC COMMENT, THIS IS AN ITEM, COUNSEL, WE  
13 COULD DO BY A VOICE VOTE.

14                  MR. HARRISON:  IT IS.  WE STILL NEED ONE MORE  
15 MEMBER POMEROY TO RETURN TO THE TABLE, AND MELISSA HAS  
16 JUST GONE TO TRY TO FIND HER.

17                  CHAIRMAN KLEIN:  WHILE WE'RE -- COUNSEL,  
18 COULD WE TABLE THIS ITEM WHILE WE'RE WAITING?

19                  MR. HARRISON:  YES.

20                  CHAIRMAN KLEIN:  ALL RIGHT.  IS IT  
21 APPROPRIATE, COUNSEL, THAT WE CAN DISCUSS ITEM 19, OR  
22 DO WE PROPERLY AND EFFICIENTLY -- DID WE SUFFICIENTLY  
23 COVER --

24                  MS. PACHTER:  THE CONCEPT PLAN FOR THE RFA?

25                  CHAIRMAN KLEIN:  YES.

1 DR. CHIU: SHALL I GO AHEAD? I THINK I'LL  
2 DISPENSE WITH THE SLIDES IN THE INTEREST OF TIME.  
3 PLEASE REFER TO AGENDA ITEM NO. 19 FOR A FULL  
4 DESCRIPTION OF THIS PROPOSAL BROUGHT BEFORE YOU FOR  
5 YOUR APPROVAL.

6 BECAUSE STEM CELL RESEARCH IS A NEW FIELD,  
7 THERE IS A NEED TO BUILD CAPACITY IN CALIFORNIA. WE  
8 NEED TO CAPTURE, DISCOVER, CAPTURE, AND APPLY FINDINGS  
9 IN THIS FIELD TO CLINICAL TREATMENTS. AND, THEREFORE,  
10 WE HAVE TO ATTRACT AND SUPPORT A NEW GENERATION OF  
11 SCIENTISTS AND CLINICIANS IN THE FIELD.

12 BUT TODAY INDEPENDENT SCIENTISTS AT THIS  
13 EARLY STAGE IN THEIR CAREERS ARE VERY VULNERABLE.  
14 THEY'RE VULNERABLE BECAUSE THEY FACE A NUMBER OF  
15 CHALLENGES: TIGHT FEDERAL FUNDING PRESSURES TO GET  
16 DATA AND RESULTS OUT QUICKLY, TO PUBLISH PAPERS, AND  
17 DEMONSTRATE PRODUCTIVITY AND THE POTENTIAL OF THEIR  
18 WORK. THEY ALSO MUST GET GRANTS TO SUPPORT THEIR  
19 FLEDGLING LABS. AND LAST, AND CERTAINLY NOT LEAST,  
20 PHYSICIAN SCIENTISTS OFTEN HAVE TO HAVE CLINICAL  
21 SERVICE AS WELL.

22 FACED WITH THESE CHALLENGES, PLUS THE  
23 RESTRICTIONS AND UNCERTAINTIES IMPOSED BY THE  
24 PRESIDENTIAL POLICY ON HUMAN EMBRYONIC STEM CELLS, IT'S  
25 NOT SURPRISING THAT MANY NEW FACULTY ARE DISCOURAGED,



1 FEEL DISCOURAGED FROM RUSHING INTO THIS NEW FIELD.

2 SO TO ADDRESS THIS NEED, WE PROPOSE THE CIRM  
3 NEW FACULTY AWARD. ANOTHER NAME FOR AN IDEA THAT'S  
4 BEEN DESCRIBED IN THE SCIENTIFIC STRATEGIC PLAN UNDER  
5 SCIENTIFIC PERSONNEL DEVELOPMENT. IF YOU LOOK, YOU'LL  
6 FIND IT ON PAGE 60 IN THE PLAN. THESE AWARDS ARE MEANT  
7 TO SUPPORT PROMISING M.D.'S AND PH.D. SCIENTISTS IN THE  
8 CRITICAL EARLY YEARS OF THEIR CAREERS AS INDEPENDENT  
9 SCIENTISTS.

10 IN THE INTEREST OF TIME, IT'S GETTING TO BE  
11 PAST ONE, I WILL NOT GO OVER EVERYTHING IN THE MATERIAL  
12 IN YOUR BINDER, BUT WE ASK YOU TO APPROVE THIS NEW  
13 INITIATIVE THAT WILL SUPPORT UP TO 15 NEW AWARDS TO  
14 PH.D. FACULTY AND UP TO 10 FOR PHYSICIAN/SCIENTIST  
15 FACULTY FOR A TOTAL OF 25 NEW AWARDS WITH A TOTAL COST  
16 OF THE PROGRAM OF \$85 MILLION. EACH AWARD WILL BE  
17 GIVEN FOR UP TO FIVE YEARS OF SUPPORT TO ENABLE THEM TO  
18 HAVE A STABLE ENVIRONMENT TO LAUNCH THEIR CAREERS AND  
19 GET THEIR RESEARCH FIRMLY IN PLACE.

20 ONE OTHER THOUGHT IS THAT PHYSICIAN  
21 SCIENTISTS MAY BE ELIGIBLE UNDER THIS PROGRAM AT THE  
22 END OF THEIR FIVE YEARS TO BE PROVIDED WITH FUNDS FOR  
23 LOAN REPAYMENT. SO THAT'S ANOTHER IDEA THROWN INTO  
24 THIS PARTICULAR CONCEPT.

25 WE WOULD LIKE TO HAVE THIS FIRST ROUND

1 RELEASED SOMETIME THIS SUMMER WITH THIS RFA RELEASED  
2 WITH REVIEW OF APPLICATIONS IN THE FALL AND BRING TO  
3 ICOC FOR APPROVAL SOMETIME IN THE WINTER. AND WE ALSO  
4 WOULD LIKE TO REQUEST A REPEAT CALL FOR THIS TYPE OF  
5 APPLICATION IN TWO TO THREE YEARS TO SUPPORT A NEW  
6 CADRE OF YOUNG FACULTY.

7 CHAIRMAN KLEIN: DR. CHIU, COULD YOU RESTATE  
8 THE TOTAL DOLLAR AMOUNT?

9 DR. CHIU: THE TOTAL DOLLAR AMOUNT AS  
10 CALCULATED IS AS MUCH AS \$85 MILLION FOR ALL FIVE YEARS  
11 OF FUNDING. FIVE YEARS OF FUNDING. SO THIS IS THE WAY  
12 WE CAME UP WITH THE NUMBER. EACH PH.D. FACULTY MEMBER  
13 WOULD BE ELIGIBLE FOR PROJECT COSTS OF UP TO \$300,000 A  
14 YEAR FOR A TOTAL OF FIVE YEARS. ASSUMING INDIRECT  
15 COSTS AS WELL AS FACILITY COST, WE DOUBLED THAT JUST TO  
16 HAVE A SAFE MARGIN. SO THAT COMES TO \$3 MILLION A YEAR  
17 PER PH.D. FACULTY MEMBER FOR THE FIVE YEARS -- I'M  
18 SORRY -- NOT PER YEAR, BUT FOR THE FIVE YEARS. FIFTEEN  
19 OF THOSE COMES UP TO \$45 MILLION.

20 FOR M.D.'S WE HAVE TO PROTECT THEIR TIME FROM  
21 CLINICAL SERVICE, SO WE PROVIDED AN ADDITIONAL CUSHION.  
22 SO WHEN YOU ADD THE FIVE YEARS FOR 15 PH.D. FACULTY AND  
23 10 M.D. PH.D. OR M.D. FACULTY, IT COMES TO A TOTAL OF  
24 \$85 MILLION.

25 CHAIRMAN KLEIN: AND THE M.D. FACULTY, WHAT

1 WAS THE COST BEFORE THE OVERHEAD?

2 DR. CHIU: \$400,000 A YEAR. AND I WOULD  
3 INCLUDE IN THERE AN AMOUNT, CERTAINLY UP TO THE ICOC,  
4 OF UP TO \$40,000 TOTAL FOR MEDICAL SCHOOL LOAN  
5 REPAYMENT AT THE END OF THEIR FIVE YEARS. THIS IS A  
6 CONCEPT THAT HAS BEEN PROVEN TO BE SUCCESSFUL IN  
7 FEDERAL FUNDING, AND IT IS INSTRUMENTAL IN ATTRACTING  
8 MANY CLINICIAN SCIENTISTS WHO WOULD OTHERWISE BE  
9 HESITANT TO DO RESEARCH. AND PERHAPS SOME OF THE  
10 MEMBERS OF THE BOARD MAY KNOW MORE ABOUT THIS AND  
11 ADDRESS THIS FURTHER.

12 CHAIRMAN KLEIN: ALL RIGHT. WOULD THE BOARD  
13 LIKE TO ADDRESS THIS?

14 DR. PIZZO: I THINK CONCEPTUALLY I THINK THIS  
15 IS A VERY GOOD IDEA, SO I AM PERSONALLY IN SUPPORT OF  
16 THIS. I THINK RECRUITING NEW PH.D'S. AND NEW PHYSICIAN  
17 SCIENTISTS IN THIS FIELD IS HIGHLY DESIRABLE.

18 I'M CURIOUS AS TO WHY YOU LIMITED THE NUMBER  
19 OR RECOMMEND THE LIMITATIONS ON THE NUMBER OF  
20 APPLICANTS PER INSTITUTION. WHY NOT HAVE THE BEST  
21 QUALITY PEOPLE COME FORWARD REGARDLESS OF WHERE THEY'RE  
22 FROM AND THEN LIMIT THE NUMBER OF AWARDS?

23 DR. CHIU: THANK YOU, DR. PIZZO. THAT WAS  
24 ONE POINT, WITHOUT PUTTING THE SLIDE ON THE SCREEN, I  
25 HAD FORGOTTEN TO ADDRESS.

1 WE WOULD BE, WE FEEL, INUNDATED WITH MORE  
2 APPLICATIONS THAN WE CAN DEAL WITH SUCH AS SEEN IN THE  
3 SEED GRANTS. WE THOUGHT THESE ARE FACULTY POSITIONS.  
4 EACH INSTITUTION SHOULD DECIDE WHO ARE THEIR TOP  
5 CANDIDATES TO COME IN WITH THE PROGRAMS. SO WE ASKED  
6 THE INSTITUTIONS TO IDENTIFY THEIR TOP TWO OR FOUR  
7 CANDIDATES SO THAT EACH ELIGIBLE INSTITUTION, THAT IS  
8 AN ACADEMIC INSTITUTION AND/OR A NOT-FOR-PROFIT  
9 INSTITUTION, COULD IDENTIFY THEIR TOP CANDIDATES.

10 NOW, WHO'S ELIGIBLE? WE ENVISION YOUNG,  
11 NEWLY INDEPENDENT FACULTY MEMBERS WHO ARE WITHIN THE  
12 FIRST SIX YEARS OF ASSUMING THEIR NEW POSITION WOULD BE  
13 ELIGIBLE. HOWEVER, INSTITUTIONS WITH MEDICAL SCHOOLS  
14 ARE PROBABLY LIKELY TO HAVE CLINICIAN SCIENTISTS AS  
15 FACULTY MEMBERS. SO WE ASKED THAT EACH INSTITUTION  
16 WITH A MEDICAL SCHOOL SUPPORT OR PRESENT TO US,  
17 NOMINATE, TWO PH.D. SCIENTIST FACULTY AND TWO M.D.  
18 PH.D. SCIENTISTS OR M.D. FACULTY. INSTITUTIONS THAT DO  
19 NOT HAVE A MEDICAL SCHOOL, WE THEN THOUGHT THEY WOULD  
20 BE ELIGIBLE TO NOMINATE TWO CANDIDATES. THESE  
21 CANDIDATES COULD BE EITHER PH.D. OR M.D. CANDIDATES AS  
22 LONG AS THEY'RE FULL-TIME, INDEPENDENT FACULTY MEMBERS  
23 AT THEIR INSTITUTION. THAT WAS THE RATIONALE.

24 DR. PIZZO: WELL, IF I CAN JUST FOLLOW. I'M  
25 CERTAINLY RESPECTFUL OF THE WORKLOAD, AND WE ARE ALL

1 AWARE THAT THERE ARE A NUMBER OF AWARDS THAT ARE  
2 LIMITED TO INSTITUTIONS. WE FACE THAT ALL THE TIME.  
3 JUST IN PARALLEL, UNTIL RECENTLY, WHEN HOWARD  
4 HUGHES WAS SEEKING NOMINATIONS, THEY HAD INSTITUTIONAL  
5 CAPS WHICH POSED TREMENDOUS CHALLENGES FOR INSTITUTIONS  
6 AS WELL. THEY'VE RECENTLY RELEASED THOSE CAPS.  
7 THEY'RE ALLOWING ANYONE TO APPLY. AND I THINK IT'S A  
8 MUCH BETTER APPROACH TO ALLOW THINGS TO HAPPEN THAT  
9 WAY. SO WHEREAS I'M RESPECTFUL OF THE WORKLOAD, AND  
10 MAYBE THIS IS A TIME-AND-PLACE ISSUE, I WOULD PREFER  
11 THERE NOT BE A LIMIT IN TERMS OF INSTITUTIONAL  
12 APPLICATION, BUT A CAP ON THE NUMBER OF PHYSICIANS AND  
13 THAT WE SUPPORT THE VERY BEST PEOPLE THAT WE CAN FIND.  
14 MS. PACHTER: EXCUSE ME, MR. CHAIR. I'M  
15 SORRY TO INTERRUPT. NOW THAT WE HAVE EVERYONE IN THE  
16 ROOM, I THINK GIVEN THAT WE MAY START TO LOSE PEOPLE,  
17 IT WOULD BE A GOOD TIME TO TAKE A VOTE ON THE PENDING  
18 MOTION TO ADOPT THE FACILITIES GRANTS ADMINISTRATION  
19 POLICY.  
20 CHAIRMAN KLEIN: ALL RIGHT, COUNSEL, IF WE  
21 CAN, WITH THE PERMISSION OF THE BOARD, TAKE THE ITEM  
22 OFF OF THE TABLE, PREVIOUSLY TABLED, TO ADDRESS THIS.  
23 AND COULD WE HAVE A ROLL CALL VOTE? NO. THIS IS ON  
24 THE GRANTS ADMINISTRATION POLICY, SO WE CAN DO THIS  
25 WITHOUT THE ROLL CALL VOTE. ALL IN FAVOR. OPPOSED?

1 ABSTAIN? MEASURE PASSES. THANK YOU.

2 PLEASE CONTINUE. I'M SORRY.

3 DR. CHIU: TRULY THE CONCEPT IS UP TO THE  
4 BOARD TO CHANGE, TO APPROVE, TO INCREASE. IT'S ON THE  
5 FLOOR, AND I WOULD WELCOME ANY SUGGESTIONS AND  
6 RECOMMENDATIONS FROM THE BOARD.

7 DR. STEWARD: I WOULD JUST WANT TO FOLLOW UP  
8 ON DR. PIZZO'S COMMENT AND SUPPORT IT. I TOTALLY  
9 UNDERSTAND THE LIKELY PROBLEM --

10 CHAIRMAN KLEIN: YOU MIGHT SPEAK INTO THE  
11 MIC.

12 DR. STEWARD: -- OF BEING INUNDATED WITH  
13 APPLICATIONS. HOWEVER, I THINK THAT MAKING IT LIMITED  
14 WILL HAVE THE UNDESIRABLE EFFECT OF DECREASING THE  
15 QUALITY OF THE APPLICATIONS. IT REALLY MAY BE THAT  
16 SOME INSTITUTIONS CAN PUT FORWARD TEN OR MORE EXTREMELY  
17 QUALIFIED CANDIDATES; WHEREAS, OTHERS MIGHT ONLY HAVE  
18 TWO. I THINK IF WE PUT THAT ARTIFICIAL RESTRICTION ON  
19 IT, THE NET RESULT WILL BE NOT THE BEST IN TERMS OF  
20 QUALITY.

21 CHAIRMAN KLEIN: IF THE MEMBERS CAN MAKE SURE  
22 THEY SPEAK INTO THE MIC. WE HAVE TO REALIZE TOO THAT  
23 WE'RE IN A BUILDING PHASE WITH STAFF SO THAT WE HAVE  
24 THESE STAFF LIMITATIONS. AND THE ABILITY TO TURN THIS  
25 AROUND AT THE STAFF LEVEL, WE MIGHT WANT TO THINK ABOUT

1 A COMPROMISE WHERE WE LIFT THE CAP, BUT HAVE SOME CAP  
2 TO TAKE INTO CONSIDERATION THE STAFFING LEVELS THAT WE  
3 HAVE, JUST AS A SUGGESTION.

4 ANOTHER QUESTION --

5 DR. PIZZO: BUT WE DON'T KNOW WHAT THE ACTUAL  
6 APPLICATION POOL IS GOING TO BE, AND I THINK THAT WE  
7 SHOULDN'T NECESSARILY BELIEVE THAT IT'S GOING TO BE THE  
8 SAME SIZE AS THE SEED GRANTS. IT MAY BE LESS, MAYBE  
9 POTENTIALLY COULD BE MORE. THAT WOULD BE A GOOD THING  
10 IF THAT WERE THE CASE. I REALLY DO FEEL THAT OBVIOUSLY  
11 IT'S BETTER TO HAVE THE VERY BEST. THIS IS A VERY BIG  
12 AWARD THAT YOU'RE PUTTING FORTH, THAT IT'S BEST TO HAVE  
13 THE VERY MOST OUTSTANDING INDIVIDUALS. THIS IS  
14 EQUIVALENT, IN FACT, IT'S LARGER THAN THE PIONEER  
15 AWARDS. PIONEER AWARDS ARE \$500,000 A YEAR FOR FIVE  
16 YEARS, BUT IT'S ALMOST EQUIVALENT IN THAT REGARD.

17 CHAIRMAN KLEIN: LET ME ASK THIS QUESTION.  
18 THE PIONEER AWARDS THAT YOU JUST ADDRESSED, THEY'RE  
19 \$500,000 A YEAR --

20 DR. PIZZO: FOR FIVE YEARS.

21 CHAIRMAN KLEIN: DIRECT AND INDIRECT OR JUST  
22 DIRECT?

23 DR. PIZZO: NO. THAT'S THE DIRECT, AND THEN  
24 THERE'S INDIRECTS ON TOP OF THAT.

25 CHAIRMAN KLEIN: SO THE QUESTION IN TERMS OF

1 HOW MANY PEOPLE WE'RE SERVING AND THE SIZE, ON THE  
2 MEDICAL M.D. SIDE, IT'S 400,000 IN DIRECTS. THE  
3 QUESTION I HAVE FOR THE BOARD IS DO WE NEED TO BE AT  
4 400,000? SHOULD WE AT THIS STAGE STATE A RANGE BECAUSE  
5 AT THIS STAGE IF WE WERE TO STATE A RANGE AND WE WERE  
6 TO GET MORE QUALIFIED APPLICATIONS, PERHAPS WE WOULD  
7 WANT TO AWARD 300,000, BUT REACH MORE PEOPLE.

8 QUESTION IS THEY HAVE SIZED THIS AT A HUNDRED  
9 PERCENT INDIRECTS OVER DIRECTS, WHICH CREATES A CUSHION  
10 IN AND OF ITSELF. AND THE ISSUE IS DO WE NEED TO BE AT  
11 400,000 ON THE M.D.'S? AND THE DOLLAR AMOUNT AGAIN FOR  
12 DIRECTS ON THE PH.D.'S?

13 DR. CHIU: 300.

14 DR. PIZZO: THE LOAN REPAYMENT IS A BIG DEAL.  
15 AND I THINK IT HAS MADE A MAJOR DIFFERENCE. WE'RE  
16 TRYING TO, AT LEAST AS I UNDERSTAND IT, YOUR  
17 RECOMMENDATION IS TO TRY AND ATTRACT THE BEST, MOST  
18 OUTSTANDING, BRIGHTEST, MOST PROMISING PEOPLE INTO THE  
19 FIELD. SO I THINK MAKING THIS LIMITED AS COMPARED TO A  
20 BROADBASED AWARD THAT'S HIGH IN VALUE, SO IT'S REALLY  
21 AN HONOR TO RECEIVE IN ADDITION TO THE FUNDING, IS A  
22 GREAT IDEA. I JUST THINK WE SHOULD GET THE VERY BEST  
23 PEOPLE INTO THAT REGARDLESS OF WHERE THEY COME FROM.

24 DR. CHIU: THE AMOUNT FOR THE M.D.'S WAS AN  
25 ATTEMPT TO REFLECT THEIR HIGH SALARIES AND AN ATTEMPT



1 TO BUY THEIR TIME SO THAT THEY WOULD NOT HAVE AS MUCH  
2 CLINICAL SERVICE. AND THIS IS NOT A PROBLEM COMMONLY  
3 SEEN WITH PH.D.'S.

4 CHAIRMAN KLEIN: I SEE. I THINK IN THE  
5 STRATEGIC PLAN MEETINGS, THEY POINTED OUT THAT THIS WAS  
6 A BIG PROBLEM IS PAYING FOR M.D.S' TIME TO GET THEM TO  
7 BE ABLE TO FOCUS GIVEN THEIR CLINICAL PRESSURES FOR  
8 FINANCIAL PRODUCTION.

9 I THINK WE HAVE ON THIS SIDE DUANE AND  
10 PERHAPS OS STEWARD AND ED PENHOET TO MY LEFT.

11 MR. ROTH: JUST VERY QUICKLY, I THINK THIS IS  
12 AN EXCELLENT GRANT PROPOSAL THAT WE SHOULD FOLLOW. I  
13 THINK WE NEED TO SUPPORT THE YOUNG INVESTIGATORS. I  
14 TOO WOULD LIKE TO SEE THE INSTITUTIONAL CAP LIFTED, BUT  
15 I WOULD LIKE TO SEE THE CRITERIA BE VERY, VERY COMPLETE  
16 SO THAT YOU DON'T GET SO MANY APPLICANTS THAT WOULD NOT  
17 BE QUALIFIED FOR THIS.

18 SO PERHAPS A COMPROMISE WHERE YOU ARE VERY  
19 EXPLICIT ABOUT THE TYPES OF AWARDS WE'RE GOING TO GIVE,  
20 THE TYPES OF PEOPLE AND THEIR BACKGROUNDS SO THAT WE  
21 LIMIT THE NUMBER THAT WOULD JUST APPLY BECAUSE IT SEEMS  
22 LIKE A LOT OF MONEY.

23 CHAIRMAN KLEIN: OS, DID YOU HAVE A COMMENT?  
24 NO. DR. PENHOET.

25 DR. PENHOET: I JUST WANTED TO CAUTION

1 AGAINST TRYING TO CUT THE BUDGETS AND SPREAD IT AROUND  
2 OVER MORE PEOPLE. THIS IS A DISEASE MOST PREVALENT AT  
3 THE NATIONAL SCIENCE FOUNDATION. YOU END UP WITH LOTS  
4 OF PEOPLE WITH NOT ENOUGH MONEY TO DO ANYTHING  
5 IMPORTANT. SO I THINK WE'RE BETTER OFF TO CHOOSE THE  
6 VERY BEST PEOPLE AND FUND THEM WELL RATHER THAN TRY TO  
7 SPREAD THE MONEY FURTHER.

8 THIS RESEARCH IS EXPENSIVE. SALARIES ARE  
9 HIGH, ALL OF THESE THINGS. IT TAKES A LOT OF MONEY TO  
10 DO MODERN CELL BIOLOGY AND MICROBIOLOGY.

11 MR. SHEEHY: DO WE NEED TO ADOPT THIS? DO WE  
12 NEED A MOTION TODAY?

13 DR. CHIU: IF WE DON'T, THEN IN AUGUST WE'LL  
14 COME BACK WITH ANOTHER CONCEPT. WE CANNOT RELEASE AN  
15 RFA WITHOUT YOUR APPROVAL. WE'RE BRINGING THIS CONCEPT  
16 FOR YOUR APPROVAL SO THAT WE CAN START WRITING THE RFA  
17 FOR RELEASE.

18 MR. SHEEHY: WELL, THEN, I WOULD LIKE TO MOVE  
19 THAT WE ADOPT IT MINUS THE CAPS, INSTITUTIONAL CAPS,  
20 SINCE THERE SEEMS TO BE A GENERALIZED FEELING THAT  
21 THAT'S TOO RESTRICTIVE, AND WITH THE DIRECTION FROM  
22 MEMBER ROTH, THAT WE TRY TO WRITE THE CRITERIA IN A WAY  
23 THAT CAN SOMEHOW LIMIT THE NUMBER OF APPLICATIONS.

24 DR. CHIU: SO THIS IS MY CONCERN. IN  
25 PREVIOUS RFA'S, WE'VE ALWAYS TARGETED HUMAN EMBRYONIC

1 STEM CELLS. AND IN THIS ONE, AGAIN, BECAUSE I DIDN'T  
2 PUT UP MY SLIDE, I FORGOT TO MENTION WE'RE GOING TO  
3 OPEN IT TO THE FULL SPECTRUM OF STEM CELL RESEARCH AND  
4 TO APPROACHES. SO FACULTY MEMBERS, YOUNG FACULTY, NEW  
5 FACULTY WHO ARE WORKING IN ANY OF THESE WHO ARE VERY  
6 GOOD WOULD BE ELIGIBLE TO APPLY.

7 THE CRITERIA WOULD JUST BE THAT THEY ARE FULL  
8 TIME EMPLOYED AT A CALIFORNIA INSTITUTION ACADEMIC  
9 AND/OR NOT-FOR-PROFIT RESEARCH INSTITUTION. THEY HAVE  
10 FULL-TIME, TOTALLY INDEPENDENT INVESTIGATORS, FACULTY  
11 LEVEL. BESIDES THAT, THE CRITERIA BECOME VERY HARD TO  
12 CAPTURE WHEN WE DON'T KNOW IN WHAT FIELDS, IN WHAT  
13 PARTICULAR AREAS OF EXPERTISE THESE PEOPLE WILL COME  
14 FROM. WE WERE HOPING THAT THE INSTITUTIONS WOULD  
15 IDENTIFY THEIR TOP CANDIDATES; BUT ONCE WE OPEN IT TO  
16 EVERYONE, WE'RE GOING TO GET A LOT OF APPLICATIONS.  
17 THAT'S MY CONCERN. AND I WOULD REALLY APPRECIATE ANY  
18 HELP ON THIS MATTER FROM THE BOARD.

19 DR. STEWARD: THANK YOU FOR POINTING OUT THE  
20 FACT THAT THIS WOULD NOT BE ENTIRELY LIMITED TO HUMAN  
21 EMBRYONIC STEM CELLS. THAT MIGHT BE A TOPIC FOR  
22 DISCUSSION.

23 ACTUALLY WHAT I WANTED TO COMMENT ON,  
24 HOWEVER, WAS THE HELP. AND MAYBE THE SIMPLE HELP IS  
25 JUST TIME IN GRADE. IF THESE ARE DIRECTED TOWARD YOUNG

1 FACULTY, THEN YOU CAN SET A CAP ON THE NUMBER OF YEARS  
2 SINCE THE INITIAL FACULTY APPOINTMENT.

3 DR. CHIU: WE SUGGESTED NO MORE THAN SIX  
4 YEARS FROM THEIR APPOINTMENT.

5 DR. STEWARD: JUST MAKE IT SHORTER.

6 DR. CHIU: LOWER?

7 DR. STEWARD: THAT'S A SIMPLE WAY TO REDUCE  
8 THE TOTAL NUMBER OF APPLICATIONS IF YOU WANT TO DO  
9 THAT.

10 DR. PIZZO: THAT MIGHT BE TOO SHORT.

11 DR. PRICE: I WAS GOING TO SAY IF YOU CUT THE  
12 NUMBER OF YEARS DOWN, THAT REDUCES THE AMOUNT OF WORK  
13 YOU CAN EVALUATE TO DECIDE BETWEEN CANDIDATES.

14 DR. PIZZO: NO. I WAS GOING TO MAKE THAT  
15 SAME POINT. I THINK THAT'S GETTING TOO SHORT.

16 DR. PENHOET: WELL, FIRST, I CAN SEE ARLENE  
17 GRIMACING, BUT I ACTUALLY THINK THAT UNLESS YOU  
18 RESTRICT THIS IN SOME WAY, THERE IS A RISK WE'LL GET  
19 600 APPLICATIONS. AND WITH ALL DUE RESPECT TO OUR  
20 STAFF, MY BIGGEST CONCERN IS RETAINING OUR OUTSIDE  
21 GRANT REVIEWERS WHO HAVE ALREADY COMPLAINED ABOUT THE  
22 WORKLOAD, FREQUENCY, ETC., AND THEY'RE A PRECIOUS  
23 RESOURCE TO THIS INSTITUTION. I THINK IF WE DISCOURAGE  
24 GRANT REVIEWERS FROM OUTSIDE THE STATE BY INUNDATING  
25 THEM WITH TOO MANY GRANTS, I THINK WE'RE GOING TO LOSE

1 MANY OF THOSE PEOPLE. I'M MORE WORRIED ABOUT THEM,  
2 FRANKLY, THAN I AM ABOUT THE STAFF. STAFF WILL SOMEHOW  
3 SURVIVE.

4 I DO THINK IF WE PLACE NO LIMITATION OF  
5 FIELD, TIME IN SERVICE, INSTITUTION, ETC., WE MIGHT END  
6 UP WITH 700 APPLICATIONS.

7 CHAIRMAN KLEIN: I'D JUST LIKE TO SAY THAT WE  
8 WON'T EVEN GET TO THE REVIEWERS WITHOUT THE STAFF  
9 SURVIVING. SO I THINK WE HAVE TO BE VERY DISCIPLINED  
10 IN THE BURDENS WE PUT ON STAFF.

11 DR. PIZZO: I THINK THE NUMBERS, RELATIVE  
12 NUMBERS, THE NUMBERS OF PIONEER AWARDS SUBMITTED FOR  
13 LAST TEN, TWELVE YEARS HAS BEEN AROUND 400. THAT'S A  
14 LOT, BUT THAT'S FOR THE WHOLE COUNTRY. SO I DON'T HAVE  
15 A WAY OF EXACTLY GAUGING WHAT WE'RE GOING TO GET HERE,  
16 BUT IT'S NOT GOING TO BE 400.

17 MR. ROTH: THE CRITERIA THAT I HAD IN MIND  
18 REALLY ADDRESS THESE WORDS IN HERE LIKE WHAT IS NEW?  
19 IS IT DEFINED? WHAT IS PROMISING INVESTIGATOR? IS  
20 THERE A DEFINITION AROUND? I'M RESTRICTING FIELDS, BUT  
21 YOU NEED A LITTLE MORE DEFINITION AROUND WHAT WE INTEND  
22 TO AWARD HERE. I THINK THOSE WORDS ARE TOO BROAD,  
23 EARLY, NEW, PROMISING, AND GET MORE CRITERIA SO YOU  
24 REALLY EXPLAIN THE TYPE OF PERSON WE'RE LOOKING FOR  
25 HERE.

1                   CHAIRMAN KLEIN: THE TOTAL NUMBER OF AWARDS  
2 BETWEEN ALL THE CATEGORIES IS HOW MANY?

3                   DR. CHIU: WE ARE SUGGESTING 15 AWARDS FOR  
4 PH.D. FACULTY AND 10 FOR M.D. FACULTY.

5                   CHAIRMAN KLEIN: AND WHILE LOOKING FOR THE  
6 BEST SCIENCE, I REALLY DO HAVE A PROBLEM IN ASSUMING  
7 THAT THE BEST SCIENCE MIGHT END UP ALL AT ONE  
8 INSTITUTION. CV'S ARE ONE THING, BUT FOR YOUNG  
9 FACULTY, YOU'RE PLACING A CALCULATED BET. AND HAVING  
10 SOME REASONABLE CAP, MAYBE HIGHER THAN WHAT WAS  
11 PROPOSED, MIGHT BE A COMPROMISE BECAUSE I ACTUALLY  
12 THINK THAT I'D HAVE A HARD TIME IF YOU TRIED TO  
13 CONVINC ME THAT TWO INSTITUTIONS IN THE STATE HAD ALL  
14 THE BEST PEOPLE. I'D HAVE A HARD TIME SWALLOWING THAT  
15 IN THE FIRST PLACE. SO I'D LIKE TO SEE A DISTRIBUTION  
16 AT LEAST OF TALENT AND HAVE A REASONABLE ABILITY TO  
17 REVIEW THOSE IN A TIMELY FASHION WITHOUT BREAKING THE  
18 BACKS OF THE STAFF. I WOULD SPEAK ACTUALLY FOR A  
19 HIGHER CAP.

20                   DR. CHIU, DO YOU HAVE A STATEMENT? DR.  
21 PIZZO.

22                   DR. PIZZO: I DON'T DISAGREE WITH YOU,  
23 ALTHOUGH IT MAY BE TRUE. BUT ANYWAY, HOW MANY  
24 INSTITUTIONS DO WE HAVE THAT COULD SUBMIT APPLICATIONS?

25                   DR. CHIU: WE'RE GUESSING 35. NOW, THAT MAY

1 INCREASE AS MORE INVESTIGATORS FROM THE CALIFORNIA  
2 STATE UNIVERSITIES ALSO APPLY. SO I'M MAKING AN  
3 EDUCATED GUESS ABOUT 35. SO IF YOU ESTIMATE TEN PER,  
4 THAT STARTS TO BE A BIG NUMBER.

5 DR. PIZZO: SO YOU'VE ALREADY GOT A LOT OF  
6 PEOPLE, THEN, WHO ARE POTENTIAL APPLICANTS JUST GIVEN  
7 THE ARITHMETIC IN PLACE. IT'S HARD FOR ME TO THINK  
8 THAT WE'RE GOING TO SEE MANY MORE THAN THAT IF YOU JUST  
9 REMOVE THE CAP.

10 DR. CHIU: JUST REMEMBER THE APPLICANTS ARE  
11 ALL ONES WORKING ON HUMAN EMBRYONIC STEM CELLS, AND  
12 WE'VE HEARD FROM THE COMMUNITY THAT OTHER TYPES OF STEM  
13 CELLS HAVE NOT BEEN ELIGIBLE TO APPLY. ONCE WE OPEN  
14 THAT, WE COULD EXPECT TO SEE A LOT MORE YOUNG FACULTY.

15 DR. PIZZO: THAT'S TRUE. I AGREE WITH THAT.

16 DR. CHIU: IN TERMS OF DR. ROTH'S COMMENT  
17 ABOUT YOUNG, WE ALREADY ARE TRYING TO DEBATE WHETHER  
18 SIX YEARS IS AN APPROPRIATE DEFINITION OF YOUNG. IN  
19 TERMS OF PROMISING, THAT'S WHERE WE'RE HOPING THE  
20 INSTITUTIONS WILL DEFINE FOR US WHAT THEY CONSIDER  
21 PROMISING BECAUSE WE MAY NOT HAVE THE FULL GRASP OF  
22 WHAT WOULD BE A PROMISING YOUNG FACULTY MEMBER.

23 DR. POMEROY: I'D LIKE TO SPEAK IN FAVOR OF  
24 ADOPTING THIS AS IT'S WRITTEN. I THINK THAT THIS IS  
25 OUR FIRST TIME AT DOING THIS. I THINK YOU'VE MADE THE

1     IMPORTANT POINT THAT THERE'LL BE ANOTHER CALL IN TWO  
2     YEARS.  I THINK WE'VE LEARNED THAT WHEN WE GO INTO A  
3     NEW MECHANISM, WE LEARN THINGS THROUGH THE PROCESS AND  
4     WE DEFINE IT BETTER.  AND SO I THINK LIMITING THE  
5     NUMBER SO THAT IT'S FEASIBLE, HAVING ANOTHER CALL  
6     WITHIN TWO YEARS, AND LETTING THE INSTITUTIONS DEFINE  
7     WHAT'S PROMISING, I THINK COULD BE VERY USEFUL.

8             IT'S HARD FOR ME TO, YOU KNOW, IMAGINE A  
9     REVIEW GROUP THAT'S GOING TO BE COMPARING A NEW  
10    ENGINEERING PROPOSAL WITH AN IMAGING PROPOSAL.  THE  
11    RANGE IS SO HUGE, I THINK IT REALLY IS IMPORTANT TO  
12    LIMIT THE NUMBERS THIS FIRST TIME FOR THIS FIRST ROUND.

13            MR. SHEEHY:  ARE YOU ASKING TO AMEND MY  
14    MOTION?

15            DR. POMEROY:  I'M JUST STATING MY OPINION.

16            MR. SHEEHY:  BECAUSE I WOULD BE WILLING TO DO  
17    THAT.

18            MS. LANSING:  I'LL ASK YOU TO AMEND IT  
19    BECAUSE I'M JUST LISTENING.  I THINK THAT FOR THE VERY  
20    FIRST ONE, WE SHOULD LEAVE IT THE WAY IT IS.  I  
21    UNDERSTAND EVERYTHING THAT DR. PIZZO IS SAYING AND  
22    EVERYONE ELSE, BUT I THINK BEING MINDFUL OF HOW MUCH WE  
23    COULD GET AND THE STAFF, I THINK IT'S WISE TO LEAVE IT  
24    ALONE THIS TIME.  I WISH THERE WAS A WAY WE COULD SEE  
25    HOW MUCH WE GOT; AND IF WE GET AS MUCH, THEN WE COULD



1 AMEND IT MAYBE IN A YEAR. BUT I DON'T KNOW IF THAT'S  
2 POSSIBLE. FOR RIGHT NOW I JUST THINK WE SHOULD ACCEPT  
3 IT THE WAY IT IS. WE CAN HAVE ANOTHER ROUND IF WE  
4 DON'T GET ENOUGH, I GUESS. BUT I WOULD LIKE TO ASK YOU  
5 TO AMEND IT.

6 MR. SHEEHY: I ACCEPT THE AMENDMENT, AND I  
7 THINK YOU WERE THE SECOND.

8 MS. LANSING: I'M GOING TO SECOND THAT WE ARE  
9 GOING TO ACCEPT IT AS IS.

10 CHAIRMAN KLEIN: AS IT IS, IT'S FOUR FROM THE  
11 MEDICAL AND TWO FROM THE PH.D. PROGRAM. IS THAT WHAT  
12 THE NUMBERS ARE?

13 DR. CHIU: THOSE WITH MEDICAL SCHOOLS GET  
14 FOUR NOMINATIONS. THOSE WITHOUT MEDICAL SCHOOLS GET  
15 TWO NOMINATIONS, AND IT COULD BE IN ANY COMBINATION.

16 CHAIRMAN KLEIN: SO IT'S NOT A CUMULATIVE  
17 SIX?

18 DR. CHIU: NO. NO. NO. IT'S A CUMULATIVE  
19 FOUR FOR THOSE WITH MEDICAL SCHOOLS AND A CUMULATIVE  
20 TWO FOR THOSE WITHOUT MEDICAL SCHOOLS.

21 CHAIRMAN KLEIN: I WOULD ACTUALLY SPEAK TO  
22 THAT BEING TOO RESTRICTIVE.

23 DR. PIZZO: I WOULD AS WELL. I THINK THAT  
24 MAYBE YOUR COMMENT EARLIER, BOB, ABOUT SOME  
25 MODIFICATION OF, QUOTE, THE CAP MIGHT BE A COMPROMISE

1 POSITION. I WAS GOING TO, BEFORE I RECOMMENDED THAT,  
2 ASK ARLENE WHAT DO YOU THINK THE NUMBER OF GRANTS THAT  
3 YOU CAN REVIEW IS BECAUSE IT SEEMS TO ME THAT YOU'VE  
4 DONE THAT KIND OF A CALCULATION ALREADY BASED UPON  
5 WHERE YOU SET THE CAPS.

6 DR. CHIU: WHEN WE DID THE 231 APPLICATIONS  
7 IN THREE GRUELING DAYS, THAT WAS A MARATHON, AS ONE  
8 REVIEWER SAID, SHOULD BE IN THE *GUINNESS BOOK OF*  
9 *RECORDS*.

10 DR. PIZZO: SO THAT'S BASICALLY WHAT'S  
11 DRIVING THIS.

12 DR. CHIU: WE WOULD HOPE NOT TO REPEAT THAT  
13 BECAUSE WE WANT TO GIVE A VERY GOOD REVIEW INSTEAD OF  
14 JUST RUSHING THROUGH THEM.

15 DR. PIZZO: THEN I WOULD OFFER ONLY ONE OTHER  
16 COMMENT. IF WE'RE GOING TO DO THIS, THEN I THINK  
17 THAT -- I'LL SAY THIS CAREFULLY AND I HOPE NO ONE WILL  
18 BE OFFENDED. I THINK WE MUST HAVE A VERY HIGH  
19 STANDARD. THE TENDENCY THAT WE'VE HAD RECENTLY IS  
20 WE'RE TRYING TO SPREAD THINGS AROUND, AND I THINK IT'S  
21 GOOD. WE DO SHOULD DO THAT, BUT WE SHOULD HAVE A HIGH  
22 BAR ON THESE GRANTS AND NOT SIMPLY COME IN AND SAY,  
23 WELL, WE NEED TO HAVE MANY MORE OF THEM TO SORT OF  
24 PRIME THE SEAT. I THINK THAT WOULD BE GOING IN THE  
25 WRONG DIRECTION. SO I WILL ONLY GO ALONG WITH THIS IF

1 THAT'S THE CRITERIA THAT WE'RE GOING TO FOLLOW.

2 CHAIRMAN KLEIN: ALL RIGHT. LET ME JUST ASK.  
3 THERE'S BEEN GOOD DISCUSSION OF THIS. IS THERE ANY  
4 SENSE THAT TRYING TO STAY FAIRLY CLOSE, BUT SLIGHTLY  
5 INCREASING IT LIKE FOUR IF YOU DON'T HAVE A MEDICAL  
6 SCHOOL AND SEVEN IF YOU DO. THERE'S ONLY TEN MEDICAL  
7 SCHOOLS.

8 DR. BALTIMORE: THERE ARE ONLY 25 GRANTS. IF  
9 FOUR OF THOSE GRANTS WERE GIVEN TO ONE INSTITUTION,  
10 THAT WOULD BE PROBABLY SCANDALOUS. FOR SIX GRANTS TO  
11 BE GIVEN TO ONE INSTITUTION WOULD CERTAINLY BE  
12 SCANDALOUS WHEN IT'S SUCH A LIMITED RESOURCE FOR THE  
13 STATE.

14 CHAIRMAN KLEIN: THESE ARE JUST APPLICATIONS.

15 DR. BALTIMORE: I UNDERSTAND, BUT YOU HAVE TO  
16 ASSUME THAT THEY'RE APPLICATIONS, THEY COULD WIN. I  
17 THINK AS LONG AS YOU ASSUME THAT YOU DON'T WANT TO GIVE  
18 THAT NUMBER TO A SINGLE INSTITUTION, THEN YOU CAN LET  
19 THE INSTITUTION DECIDE WHO ARE THE TOP PEOPLE. THE  
20 INSTITUTIONS CAN DO THAT. WE DO IT ALL THE TIME FOR  
21 OTHER GRANTING AGENCIES.

22 CHAIRMAN KLEIN: OKAY. ALL RIGHT.

23 MS. LANSING: I WANT -- I TOTALLY AGREE. I  
24 THINK ARLENE IS COMING TO US WITH WHAT THEY CAN HANDLE  
25 NOW. WE'RE NOT IN THE TRENCHES. I RESPECT WHAT YOU'RE

1 SAYING. I THINK THIS IS WHERE WE'RE ALMOST  
2 OVERSTEPPING WHAT WE SHOULD BE DOING. AND SO I THINK  
3 DR. PIZZO IS RIGHT, THAT IT HAS TO BE THE VERY HIGHEST,  
4 HIGHEST STANDARDS, BUT IN MY OPINION THAT SHOULD BE  
5 APPLICABLE ALWAYS ON ANY GRANT THAT WE DO. SO I'M JUST  
6 GOING TO ASSUME THAT. AND I REALLY DO WANT TO DEFER TO  
7 DR. CHIU.

8 CHAIRMAN KLEIN: ALL RIGHT. WE'VE HAD A  
9 GOOD, LIVELY DISCUSSION. ANY OTHER BOARD POINTS? ANY  
10 PUBLIC?

11 MR. SIMPSON: I, IF ANYTHING, WOULD SUGGEST  
12 THAT YOU REDUCE THE CAP AND HAVE IT EVEN MORE DIFFICULT  
13 TO GET AND MAKE THE INSTITUTIONS DO THE WORK FOR THE  
14 STAFF. I REALLY THINK, IF ANYTHING, YOU SHOULD BE  
15 CUTTING DOWN AND HAVING IT TWO PER INSTITUTION AT MOST.

16 CHAIRMAN KLEIN: WELL, SEEING THAT WE HAVE  
17 ADVOCATES ON BOTH SIDES, THE MIDDLE POINT IS PROBABLY  
18 PRETTY GOOD.

19 ANY ADDITIONAL COMMENTS FROM THE BOARD?  
20 SEEING NONE, I'D LIKE TO CALL THE QUESTION. ALL IN  
21 FAVOR? OPPOSED? UNANIMOUS.

22 MS. PACHTER: CAN WE GO OVER WHAT THE MOTION  
23 WAS FOR THE RECORD?

24 CHAIRMAN KLEIN: TO ACCEPT AS WRITTEN.

25 MS. LANSING: WE'RE ACCEPTING AS WRITTEN.

1 WE'RE ACCEPTING ARLENE'S PROPOSAL AS WRITTEN.  
2 DR. CHIU: THANK YOU VERY MUCH.  
3 MS. KING: AND THE MOTION CARRIED.  
4 CHAIRMAN KLEIN: DR. CHIU, COMPELLING WISDOM  
5 WINS IN THE END.  
6 MS. LANSING: I JUST WANT TO SAY BEFORE WE GO  
7 TO LUNCH, OUR ENORMOUS RESPECT AND GRATITUDE TO YOU FOR  
8 WHAT YOU HAVE BEEN DOING.  
9 (APPLAUSE.)  
10 CHAIRMAN KLEIN: ALL RIGHT. WE --  
11 MS. KING: PLEASE BRING THIS BINDER WITH YOU  
12 TO LUNCH. DOES THIS LOOK FAMILIAR? THANK YOU.  
13 (THE BOARD THEN BROKE AT 1:42 P.M. AND  
14 WENT INTO CLOSED SESSION, AFTER WHICH THE MEETING WAS  
15 ADJOURNED.)  
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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 PROCEEDINGS BEFORE 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

UCLA GRAND HORIZON ROOM  
3D FLOOR, COVEL COMMONS  
330 DE NEVE DRIVE  
LOS ANGELES, CALIFORNIA

ON  
TUESDAY, JUNE 5, 2007

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.

BETH C. DRAIN, CSR 7152  
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