

**ICOC Governance Committee Meeting
Of December 5, 2005
Agenda Item 3.a.
CIRM Budget for 2005-06**

Background:

At the request of the Governance Committee, CIRM staff have been developing a proposed operational budget for consideration by the Committee and the full ICOC. At the 8/31/2005 Governance Committee meeting the members approved a three step budget plan using the following three funding alternatives:

- No new funding beyond the \$3 million state general fund loan and the \$5 million Dolby grant.
- The state general fund loan and the Dolby grant would be supplemented by \$21.5 million in BAN proceeds.
- The state general fund loan and the Dolby grant would be supplemented by \$100 million in Bond proceeds.

The plan was to operate under the first alternative until 1/1/2006 and if there was no addition funding to take action to ensure that operations would be continued through the end of the fiscal year – 6/30/2006. Because there is no ICOC meeting in January, we have decided to take the actions necessary to attain this goal now.

Information:

While the proposed budget 2005-06 is tight, it includes funding for the following:

- The current nineteen employees. No additional hires will be made.
- The October scientific meeting in San Francisco (which came in nearly \$75,000 under budget). In addition there is funding for two additional smaller scientific meetings to be determined.
- Meetings for the following Work Groups:
 - Standards: Six Meetings
 - Facilities: One Meeting
 - Grants: One Meeting and two teleconference meetings
- ICOC meetings:
 - Eight Full ICOC meetings
 - Four Legislative Subcommittee Meetings
 - Five Governance Subcommittee Meetings
 - Four IP Task Force Meetings
 - One Standards Search Subcommittee Meeting
- Legal services through Remcho and the Department of Justice to meet litigation and other legal needs.

In addition to the summary budget that you have seen before, there is now a breakdown of projected expenditures by four separate cost centers. The Centers and the responsible officers are listed below:

- The Science Office (Responsible Officer: Arlene Chiu): This is where all grant management activities – including the Grants Work Group - are performed. Also, this office is responsible for any scientific meetings.
- The Office of Administration (Responsible Officer: Walter Barnes): This office provides a variety of support services, including financial, human resources, procurement and facilities management.
- The Office of the President (Responsible Officer: Zach Hall): This office includes the President and his staff, including, Information Technology, Communications, Legal Services and the Standards and Facilities Work Groups.
- The Office of the Chair (Responsible Officer: Robert Klein): This office is responsible for all activities related to meetings and activities of the ICOC and to those specific activities assigned to the Chair by Proposition 71 (including all matters related to bonds and fund raising) or assigned to the Vice Chair by the Chair (such as the IP Task Force).

Each cost center has been allocated sufficient funds to carry out their activities and the designated responsible officer is charged with operating with the funding allocation made.

Recommendation:

Recommend approval of the proposed budget by the full ICOC.