

SOMETHING BETTER THAN HOPE

Finance Subcommittee: Update on Transition Plan and Budget



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Transition Plan

- Transition Plan presented to the Board on Nov. 27, 2017
- Operating Assumptions:
 - Execute on 5-year Strategic Plan approved by the ICOC on December 2015
 - Critical personnel level required to execute on the Strategic Plan while maintaining operational excellence
 - Essential to preserve CIRM's value proposition to increase the probability of and the speed by which stem cell treatments can reach patients
- Transition Plan Update

Progress on 2016-2020 Strategic Plan



DISCOVER
45 of target 50
NEW
CANDIDATES



ADVANCE
72 progressing
THROUGH
DEVELOPMENT
100% increase

REFINE REGULATORY
6 RMATs
Under
21st Century Cures



**SHORTEN TIME TO
CLINICAL TESTING**

72% CLIN1
achieved IND in 2
years

55% achieved IND
in <18 months



EXPAND
46 of target 50
NEW TRIALS
(63 Total Trials
>2000 Enrolled)



**INCREASE INDUSTRY
PULL**
54% partnered
63 events
\$8.6 B Industry investment
(brings total leverage
funding to \$4.9B)

Operations Update:

CIRM team has continued to be productive during the Final Year of the Strategic Plan

- actively working to achieve or exceed 5-year strategic plan goals
- managing impact of COVID-19 crisis on active awards
- 12 new projects approved in 2020
- 174 awards valued at \$854M under current management
- Special COVID Funding Opportunity launched with recurring 2-wk review cycles
- BRIDGES and Alpha Clinics Symposia will be virtual events; Grantee Meeting in planning stage

Launched COVID Special Funding

- 70 Applications Received
- 2 Clinical Trials + 8 Discovery Awards thus far

Sickle Cell Program – 5 Clinical programs and projected 3 new CLIN2 apps expected Q3 and Q4 2020

Strategic Planning in progress

Budget Update

Total Available Unallocated Budget for Awards: \$47.1M*

- COVID-19 Program: \$2,022,352*
- Sickle Cell Program: \$25,757,195
- Returned Funds: \$19,294,293

* assumes COVID award approved by ARS on June 12, 2020;

* Does not include ICOC commitment for \$250K for the grantee meeting, and \$1,196,428 for DISC2 Progression Awards

Total Available Budget for Operations: \$28.9M

- Facilities
- Personnel (including Legal)
- Advisory Panels, Reviews & Meetings

Transition Plan: Operational Budget for Wind Down Scenario

Wind down if no 2020 Bond



Bring Revised Budget Proposal if a 2020 Bond

FY	17/18	18/19	19/20	20/21	21/22	22/23	Q3-Q4 2023
Nov. 2017 Transition Plan “Little Bucket” Projection	\$14.4M	\$14.1M	\$13.8M	\$9.5M	\$5M	\$4M	\$2.7M
Nov 2017 Transition Plan Operations Budget Projection (“Little Bucket” + legal from “Big Bucket”)	\$17.3M	\$17.1M	\$15.8M	\$11.1M	\$6M	\$4.8M	\$3.4M
Updated Transition Plan Operations Budget	\$15.1M	\$14.5M	\$13.8M	\$12.3M*	\$6.8M	\$5.8M	\$4.0M

Wind-Down Plan

Phase 1: Nov 2020-June 2021

Finalize Operations Plan for “closeout” team & complete delegation/transfer :

- *Management & Finance Plan*
- *IP/Revenue Sharing Management and Protocol*
- *State Hand-off: immediate and residual financial and future obligations (IP/revenue sharing/loan repayme*
- *Management plan for active projects*
- *Audits*
- *Public Communication channel for scientific/clinical programs*
- *Resolve existing contracts and MOUs*

Portfolio Hand-Off to “closeout” team

IT system backups, retention, security, inventory, server and equipment management

Facilities scale down management and HR closeouts, state benefits, CalHR requirements

Phase 2: July 2021- December 2023

Manage remaining Awards

Execute on Operations Plan

Finalize Agency Closure