

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

LOCATION: AS INDICATED ON THE AGENDA

DATE: MONDAY, JUNE 21, 2010
12 P. M.

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

BRS FILE NO. : 87660

BARRISTERS' REPORTING SERVICE

I N D E X

ITEM	DESCRIPTION	PAGE NO.
CALL TO ORDER		3
ROLL CALL		6
CONSIDERATION OF CIRM BUDGET FOR FISCAL YEAR 2010-11		5
PUBLIC COMMENT		NONE

BARRISTERS' REPORTING SERVICE

1 MONDAY, JUNE 21, 2010

2 12 P.M.

3
4 CHAIRPERSON FEIT: I'D LIKE TO CALL THE
5 MEETING TO ORDER. THIS IS THE FINANCE SUBCOMMITTEE
6 OF CIRM. I BELIEVE TODAY THAT WE'RE GOING TO BE
7 PARTICIPATING FROM EIGHT SEPARATE LOCATIONS. SO,
8 MELISSA, IF YOU WOULD CALL ROLL; AND AS YOU RESPOND
9 TO THE ROLL CALL, WOULD YOU PLEASE STATE THE
10 LOCATION THAT YOU ARE AT, PLEASE?

11 MS. KING: DONALD DAFOE.

12 DR. DAFOE: HERE. LOS ANGELES.

13 MS. KING: ROBERT BIRGENEAU. FLOYD BLOOM.

14 DR. BLOOM: I'M HERE AT PACIFIC VIEW DRIVE
15 IN SAN DIEGO.

16 MS. KING: MARCY FEIT.

17 CHAIRPERSON FEIT: HERE IN NORTH CAROLINA.

18 MS. KING: MICHAEL GOLDBERG. BOB KLEIN.

19 MR. KLEIN: HERE.

20 MS. KING: AND BOB IS HERE WITH US IN SAN
21 FRANCISCO AT THE CIRM.

22 TED LOVE. ED PENHOET. PHIL PIZZO.

23 DR. PIZZO: HERE AT THE LEARNING CENTER AT
24 STANFORD.

25 MS. KING: DUANE ROTH.

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1 MR. ROTH: HERE AT CONNECT.

2 MS. KING: DAVID SERRANO-SEWELL.

3 MR. SERRANO-SEWELL: HERE AT SFO.

4 MS. KING: JEFF SHEEHY.

5 MR. SHEEHY: HERE.

6 MS. KING: AND JEFF IS WITH US HERE AT THE
7 CIRM.

8 OSWALD STEWARD.

9 DR. STEWARD: HERE AT UCI.

10 MS. KING: AND ART TORRES.

11 MR. TORRES: HERE AT CIRM SAN FRANCISCO.

12 MS. KING: ALL RIGHT. LOOKS LIKE WE DO
13 HAVE A QUORUM.

14 CHAIRPERSON FEIT: MELISSA, COULD YOU ALSO
15 STATE AGAIN WHAT STAFF ARE PRESENT FOR THIS MEETING,
16 PLEASE?

17 MS. KING: ABSOLUTELY. SO WE HAVE JOHN
18 ROBSON, MARGARET FERGUSON, AND CHILA SILVA-MARTIN,
19 OTHERWISE KNOWN AS THE FINANCE TEAM. AND WE ALSO
20 HAVE ELONA BAUM AND ALAN TROUNSON HERE WITH US AND
21 JAMES HARRISON.

22 CHAIRPERSON FEIT: OKAY. THANK YOU.

23 MS. KING: PARDON ME. DON GIBBONS,
24 ALEXANDRA CAMPE, AND IAN SWEEDLER, AMY CHUNG FROM
25 THE OFFICE OF THE CHAIR, AND ALSO SIENNA LAWTON, OUR

BARRISTERS' REPORTING SERVICE

1 INTERN FROM WELLESLEY THIS SUMMER.

2 CHAIRPERSON FEIT: THANK YOU. WELCOME,
3 EVERYBODY. I'D LIKE TO BEGIN BY CALLING ON JOHN
4 ROBSON TO PRESENT THE NO. 1 ITEM TODAY FOR
5 DISCUSSION, AND THAT'S THE 2010-11 BUDGET.

6 DR. ROBSON: THANK YOU, CHAIRPERSON FEIT.
7 PLEASURE TO BE ABLE TO PRESENT THIS BUDGET TO YOU.

8 JUST AS A LITTLE BACKGROUND, WHEN WE FIRST
9 PUT OUT REQUESTS TO THE DIFFERENT COST UNITS FOR THE
10 BUDGET THIS YEAR, THE TOTAL THAT WE RECEIVED
11 REPRESENTED AN INCREASE OF ABOUT \$3.5 MILLION OVER
12 LAST YEAR. WE FELT THAT THAT WAS FAIRLY HIGH, AND
13 WE GOT QUITE FOCUSED IN SCRUTINIZING ALL THOSE
14 REQUESTS TO MAKE SURE THAT THIS WAS A REASONABLE
15 BUDGET.

16 WE ALSO WERE SENSITIVE TO THE FACT THAT
17 LAST YEAR SOME BOARD MEMBERS FELT THAT WE HADN'T
18 PROVIDED ENOUGH INFORMATION TO THEM WHEN WE
19 SUBMITTED THE BUDGET TO THE FINANCE SUBCOMMITTEE FOR
20 THEM TO MAKE AN INFORMED DECISION. SO WE ALSO
21 FOCUSED QUITE A BIT ON HOW WE SHOULD PRESENT THE
22 MATERIAL, WHAT MATERIAL WE SHOULD PRESENT, AND HOW
23 TO PRESENT IT TO YOU. I THINK YOU'VE SEEN THAT WHAT
24 YOU'VE GOTTEN THIS YEAR IS QUITE A BIT MORE
25 EXTENSIVE AND ORGANIZED IN A DIFFERENT WAY THAN LAST

BARRISTERS' REPORTING SERVICE

1 YEAR.

2 BUT IN THE PROCESS OF DOING THESE TWO
3 THINGS, WE FELL BEHIND IN OUR TIMELINE. AND THIS
4 WAS DISAPPOINTING CERTAINLY FOR US, AND WE HAVE BEEN
5 DISCUSSING THIS AND HOW TO AVOID THIS IN THE FUTURE.
6 NEXT YEAR WE'RE GOING TO AIM TO GET THIS BUDGET DONE
7 AT LEAST A COUPLE OF MONTHS SOONER. WE'RE GOING TO
8 SET UP A TIMELINE OVER THE NEXT COUPLE OF MONTHS FOR
9 NEXT YEAR SO THAT WE CAN GET THIS TO THE BOARD -- TO
10 THE FINANCE COMMITTEE AND TO THE BOARD PRIOR TO --
11 TO AN ICOC MEETING PRIOR TO JUNE SO WE'RE NOT ENDING
12 UP DOING THIS RIGHT AT THE END OF THE FISCAL YEAR.

13 THE OTHER THING I'D LIKE TO MENTION JUST
14 TO PUT A BRIEF CONTEXT INTO WHY WE ARE REQUESTING AN
15 INCREASE TO JUSTIFY OUR INCREASE. THIS IS SORT OF
16 JUST A GLOBAL 35,000-FOOT LOOK. IF YOU LOOK AT THE
17 AMOUNT OF MONEY THAT CIRM IS MANAGING, THE TOTAL
18 VALUE OF THE PROJECTS THAT WE'RE MANAGING, THE
19 NUMBER OF GRANTS WE'RE MANAGING, THERE'S BEEN A
20 DRAMATIC INCREASE OVER THE LAST FEW YEARS. COMPARED
21 TO 2005-6, THE TOTAL AMOUNT OF MONEY FOR THE
22 PROGRAMS THAT WE'RE MANAGING HAS INCREASED 26-FOLD,
23 AND THE NUMBER OF GRANTS, ACTIVE GRANTS, THAT WE'RE
24 MANAGING HAS INCREASED 19 TIMES. OVER THAT SAME
25 PERIOD, OUR OPERATING BUDGET AND STAFF SIZE HAS

BARRISTERS' REPORTING SERVICE

1 DOUBLED SO THAT THERE'S BEEN QUITE AN INCREASE IN
2 WORKLOAD AND THE RESPONSIBILITIES OF STAFF HERE.

3 IN THAT CONTEXT, I'LL PRESENT TO YOU THE
4 BUDGET THAT WE'VE PROPOSED FOR THIS YEAR.

5 MR. KLEIN: JOHN, FROM AN OVERVIEW,
6 ANOTHER WAY TO LOOK AT THAT, I BELIEVE, IS THAT IF
7 YOU LOOK AT THAT HISTORIC BUDGET YOU REFERENCED, ON
8 \$100 MILLION OF GRANTS, IT WAS COSTING US ABOUT
9 THREE AND A HALF MILLION IN ADMINISTRATIVE COST.
10 NOW, WITH OUR EFFICIENCY AND OUR SCALE, WE'VE
11 RECEIVED \$100 MILLION IN COMMITMENTS AT THIS POINT
12 THAT WE HAVE OUT THERE FOR GRANTS AND PROCESS, IT'S
13 COSTING US ABOUT 1.2 MILLION. SO OUR EFFICIENCY AS
14 AN AGENCY HAS INCREASED EXPONENTIALLY IN THAT TIME
15 PERIOD.

16 DR. ROBSON: THAT'S A NICE WAY TO LOOK AT
17 IT. OKAY.

18 SO THE BUDGET THAT WE ARE PRESENTING TO
19 YOU FOR YOUR APPROVAL FOR FISCAL YEAR 2010-11
20 AMOUNTS TO AN INCREASE OF 21 PERCENT OVER WHAT WE
21 REQUESTED LAST YEAR. IF YOU LOOK AT WHAT WE ARE
22 PROJECTING TO ACTUALLY SPEND THIS YEAR AS OF JUNE
23 30TH, 2010, THAT'S PROJECTIONS THAT WE CAN MAKE
24 RIGHT NOW, IS THAT WE WILL BE ABOUT 5 PERCENT UNDER
25 WHAT WE REQUESTED LAST YEAR. SO THIS INCREASE

BARRISTERS' REPORTING SERVICE

1 AMOUNTS TO ABOUT A 26-PERCENT INCREASE OVER WHAT WE
2 ARE PROJECTING THAT WE WILL SPEND FOR THE FISCAL
3 YEAR '09-'10.

4 NOW, THE INCREASE THAT YOU WILL SEE REALLY
5 COMES IN FOUR AREAS, WHICH I HIGHLIGHTED IN THE
6 NOTES PAGE THAT WE GAVE TO YOU. ONE IS SALARIES AND
7 BENEFITS OF JUST OVER A MILLION DOLLARS. THE VAST
8 MAJORITY OF THAT IS DUE TO THE FACT THAT WE WILL
9 HIRE FIVE NEW EMPLOYEES. WE'RE PROJECTING TO HIRE
10 FIVE NEW EMPLOYEES DURING THIS FISCAL YEAR. AND THE
11 FACT THAT THE EMPLOYEES THAT WE HIRED IN 2008 AND 9
12 WILL THIS YEAR BECOME ELIGIBLE FOR RETIREMENT
13 BENEFITS FROM THE STATE.

14 THE STATE OF CALIFORNIA REQUIRES YOU WORK
15 TWO YEARS BEFORE YOU BECOME ELIGIBLE FOR STATE
16 CONTRIBUTION TO YOUR RETIREMENT PLAN. WE HAVE 15
17 EMPLOYEES WHO DURING THIS YEAR WILL EITHER BEGIN TO
18 BECOME ELIGIBLE FOR THAT OR WILL BE ELIGIBLE FOR A
19 FULL YEAR FOR THE FIRST TIME. AND THAT ALONE
20 AMOUNTS TO ABOUT \$400,000 OF THAT INCREASE. SO A
21 BIG CHUNK OF THE INCREASE IS STATE-MANDATED
22 RETIREMENT BENEFITS.

23 THE SECOND AREA WHERE WE HAVE A FAIRLY
24 LARGE INCREASE IS IN EXTERNAL CONTRACTS. THOSE GO
25 UP A LITTLE OVER \$500,000. WE HAVE SOME

BARRISTERS' REPORTING SERVICE

1 IRREGULAR -- NOT IRREGULAR IS NOT THE RIGHT WORD.
2 EXCUSE ME -- ONE-TIME OR FIRST-TIME ITEMS THAT WE
3 WILL BE PAYING FOR WE'RE PROPOSING. ONE IS A SALARY
4 SURVEY. WE'VE DONE THIS IN THE PAST. WE HAVEN'T
5 DONE IT FOR A COUPLE OF YEARS AND WE THINK IT'S TIME
6 THAT WE DO THAT AGAIN TO SEE IF THERE ARE
7 ADJUSTMENTS NEEDED IN OUR SALARY CATEGORIES. SO
8 THAT'S A ONE-TIME EXPENSE THIS YEAR OF \$80,000.

9 WE ARE DOING AN EXTERNAL SCIENTIFIC REVIEW
10 OF CIRM, SOMETHING THAT WAS MANDATED IN THE 2006
11 STRATEGIC PLAN. WE BUDGETED \$180,000 FOR THAT, AND
12 THAT WILL TAKE PLACE IN OCTOBER, AT LEAST THE
13 ON-SITE PORTION OF IT WILL TAKE PLACE IN OCTOBER.

14 WE'VE ALSO BEEN APPROACHED ABOUT
15 SUPPORTING AN ONLINE JOURNAL, AND THIS IS SOMETHING
16 THAT THE PRESIDENT AND PEOPLE IN THE SCIENCE OFFICE
17 THINK IS VERY IMPORTANT FOR US TO DO. THIS WILL BE
18 A NEW JOURNAL THAT WILL FOCUS ON TRANSLATIONAL
19 MEDICINE IN STEM CELLS. THIS IS AN AREA WHERE
20 THERE'S VERY LITTLE PUBLICATION AVAILABLE, AND THE
21 OPPORTUNITIES FOR PEOPLE TO PUBLISH SORT OF
22 TRANSLATIONAL MATERIAL IS NOT EASILY ACCESSIBLE.
23 AND HAVING IT IN ONE PLACE WHERE OUR SCIENTISTS CAN
24 PUBLISH AND THEN CAN ALSO READ AND SEE WHERE THE
25 ADVANCES IN TRANSLATIONAL MEDICINE IN THE STEM CELL

BARRISTERS' REPORTING SERVICE

1 FIELD OCCUR. WE THINK IT'S VERY VALUABLE, AND IT'S
2 AN ESSENTIAL COMPONENT OF OUR MISSION. IT FITS WELL
3 IN WITH OUR MISSION. THAT WILL AMOUNT TO \$200,000.

4 THAT'S REALLY JUST TO GET THIS PROGRAM UP
5 AND STARTED. THERE MAY BE A CONTRIBUTION IN THE
6 NEXT YEAR, BUT WE EXPECT THAT AS THIS PROGRESSES,
7 SUBSCRIPTION FEES WILL TAKE OVER AND OUR COMPONENT
8 WILL DECLINE TO ZERO OVER THE NEXT SHORT PERIOD.

9 WE ALSO HAVE AN INCREASE IN GRANT WORKING
10 GROUP MEETINGS. PART OF THAT IS DUE TO THE FACT
11 THAT WE PROBABLY LISTED SOMETHING HERE IN THE GRANT
12 WORKING GROUPS THAT WE SHOULDN'T HAVE. THOSE ARE
13 MEETINGS OF THE OVERSIGHT COMMITTEE FOR THE DISEASE
14 TEAMS. WE'RE PUTTING THESE THINGS TOGETHER NOW, AND
15 WE HAVE BUDGETED FOR TWO MEETINGS OF THOSE OVERSIGHT
16 COMMITTEES AT \$125,000 EACH. THAT'S \$250,000 OF
17 THIS INCREASE. THAT'S TECHNICALLY NOT REALLY A
18 GRANTS WORKING GROUP MEETING.

19 THE OTHER GRANT WORKING GROUP COMPONENT IS
20 SIX REGULAR MEETINGS, FIVE WHICH ARE ALREADY
21 SCHEDULED. IT INCLUDED ONE IN CASE ANOTHER RFA IS
22 PROPOSED AND EXECUTED DURING THIS TIME PERIOD. AND
23 WE WILL HAVE FOUR TELEPHONIC MEETINGS. THESE ARE
24 ALSO ALREADY SCHEDULED, AND THOSE ARE IN RELATION TO
25 THE CIRM RESEARCH LEADERSHIP AWARDS.

BARRISTERS' REPORTING SERVICE

1 FINALLY, THE OTHER CATEGORY WHERE WE HAVE
2 AN INCREASE, A NOTABLE INCREASE, IS IN INFORMATION
3 TECHNOLOGY. AS YOU KNOW, WE'VE BEEN REPORTING OVER
4 THE YEARS ABOUT THE DIFFICULTIES WE'VE HAD TRYING TO
5 GET A COMPUTERIZED WEB-BASED GRANTS MANAGEMENT
6 SYSTEM IN PLACE. WE WENT THROUGH AN EXTENSIVE
7 REVIEW OF OPTIONS OVER THE PAST YEAR AND CAME TO THE
8 CONCLUSION, THAT WAS SUPPORTED BY OUTSIDE
9 CONSULTANTS THAT WE HIRED, THAT REALLY, BECAUSE OF
10 THE COMPLEXITY OF CIRM'S GRANT-MAKING PROCESS, WE
11 SHOULD BUILD OUR OWN SYSTEM FOR GRANT APPLICATIONS,
12 GRANT REVIEW, AND PROGRESS REPORTS.

13 SO WE HAVE TAKEN ON THAT TASK, AND WE ARE
14 NOW IN THE DEVELOPMENT PHASE. SO TO DO THIS, WE HAD
15 TO HIRE EXTRA PROGRAMMERS. AND THEY'RE BUDGETED IN
16 HERE. AND WE'VE ALSO HIRED AN I.T. ADVISOR, A
17 CONTRACTOR AND EXTERNAL ADVISOR, WHO CAN OVERSEE ALL
18 OF OUR I.T. NEEDS, ALL OF OUR EXTERNAL CONTRACTS,
19 AND ADVISE US ON HOW BEST TO MOVE FORWARD IN ALL OF
20 THESE AREAS, INCLUDING THE GRANTS MANAGEMENT SYSTEM.

21 SO THE EXPECTATION IS THAT WE WILL BE
22 PEAKING IN OUR I.T. COSTS THIS YEAR. THE
23 DEVELOPMENT COMPONENT OF THE GRANTS-MAKING PROCESS
24 IS GOING TO BE FAR MORE EXPENSIVE THAN THE
25 MAINTENANCE. SO ONCE WE GET THROUGH THE DEVELOPMENT

BARRISTERS' REPORTING SERVICE

1 COMPONENT, WHICH WE THINK WE WILL START TO SEE REAL
2 PROGRESS IN THAT IN THE NEXT EIGHT TO NINE MONTHS,
3 THEN THESE EXTERNAL CONTRACTS WILL BEGIN TO DECLINE.
4 AND EVEN BY THE END OF THE YEAR, OUR EXPECTATION IS
5 THAT THE I. T. ADVISOR, THAT POSITION, WILL ALSO
6 DECLINE TO A PART-TIME POSITION FROM FULL-TIME. WE
7 SEE THIS INCREASE AS A SPIKE THIS YEAR WITH THE
8 EXPECTATION THAT IT WILL DECLINE OVER THE COMING
9 YEAR.

10 THOSE ARE THE MAIN ITEMS THAT CONTRIBUTE
11 TO THE INCREASE IN THE BUDGET. I'D BE HAPPY -- I
12 THINK NOW MAYBE I WOULD JUST LEAVE IT UP TO YOU TO
13 ASK QUESTIONS OF MARGARET AND CHILA AND I, AND WE
14 WILL DO OUR BEST TO PROVIDE THE INFORMATION THAT YOU
15 NEED.

16 DR. PIZZO: I'D LIKE TO ASK A QUESTION
17 WHEN THERE'S A MOMENT.

18 CHAIRPERSON FEIT: ANY QUESTIONS FOR THE
19 STAFF AT THIS TIME?

20 DR. PIZZO: PHIL PIZZO. CAN I ASK A
21 QUESTION?

22 CHAIRPERSON FEIT: YES, PLEASE.

23 DR. PIZZO: I WONDER IF YOU COULD JUST
24 PROVIDE A LITTLE BIT MORE BACKGROUND ON THE PROPOSAL
25 FOR THE ONLINE JOURNAL. I GUESS I HAD MISSED THAT

BARRISTERS' REPORTING SERVICE

1 AS A POSSIBILITY AND AM CURIOUS ABOUT, BEYOND THE
2 RATIONALE THAT YOU PROVIDED, WHAT THE LONG-RANGE
3 THINKING OF THIS IS. THERE'S OBVIOUSLY LOTS OF
4 OTHER ONLINE JOURNALS. I APPRECIATE THE AGGREGATION
5 CONCEPT, BUT I WONDER WHAT YOU'RE THINKING ABOUT IN
6 TERMS OF FUTURE. FOR EXAMPLE, AS LONG AS CIRM
7 REMAINS ALIVE AND WELL, AND WE HOPE IT DOES, THEN IT
8 WOULD MAKE SOME SENSE TO HAVE A JOURNAL. IF IT
9 DISAPPEARS AT A LATER TIME FOR WHATEVER REASONS,
10 WHAT WOULD BE THE IMPLICATIONS OF THAT FOR NOT ONLY
11 THE JOURNAL, BUT ALSO THOSE WHO PUBLISHED PAPERS IN
12 SUCH AN ONLINE PROCEEDINGS?

13 DR. TROUNSON: MAYBE I CAN ADDRESS THIS.
14 THE PROPOSAL IS FOR A TRANSLATION JOURNAL FOR THE
15 STEM CELL AREA. ONE OF THE BIG PROBLEMS THAT WE'RE
16 HAVING IS EDUCATION FOR THE REGULATORS AND EDUCATION
17 FOR THOSE PEOPLE THAT ARE INTERESTED IN TRANSLATION.
18 AND THE FEW PAPERS THAT ARE ABOUT ARE BEING
19 DEPOSITED IN VARIOUS PLACES, BUT THERE'S NO SORT OF
20 CORE JOURNAL WHICH IS DEVOTED TO PUBLICATIONS ON
21 PROVIDING INFORMATION ON THE TRANSLATIONAL PATHWAY.
22 AND IT'S THE PATHWAY THAT WE'VE GOT TO ACTUALLY
23 DEVELOP. AND IT IS CURRENTLY NOT WELL UNDERSTOOD BY
24 ANY OF US, INCLUDING THE FDA.

25 SO WE'VE ALL COME TOGETHER AND SAID IT'S

BARRISTERS' REPORTING SERVICE

1 VERY IMPORTANT IF WE CAN ACTUALLY CREATE A VEHICLE
2 FOR PROVIDING THIS, BOTH POSITIVE AND NEGATIVE DATA,
3 IN TRANSLATION IS VERY, VERY IMPORTANT. THE
4 COMPANIES WHO ARE IN THIS SPACE THINK IT'S VERY
5 DESIRABLE. SCIENTISTS WHO ARE IN THIS SPACE,
6 INCLUDING THE ISSCR SCIENTISTS, THINK IT'S VERY,
7 VERY DESIRABLE. ALL WE'RE DOING IS CONTRIBUTING A
8 SMALL AMOUNT BECAUSE IT WOULD BE AN ONLINE JOURNAL
9 THAT WOULD BE OPEN ACCESS JOURNAL THAT WILL HAVE A
10 PRINT ENTITY BECAUSE THE ISSCR HAD REQUESTED THEM TO
11 KEEP A PRINT JOURNAL.

12 BUT THE OVERALL BUDGET IS AROUND \$1
13 MILLION A YEAR FOR WHICH WE WOULD BE PROVIDING UP TO
14 \$200,000 IN THE FIRST TWO YEARS JUST TO ENABLE THEM
15 TO GET STARTED. AND SO WE WILL -- THE IDEA WAS TO
16 SEND OUT AN RFP AND SEE IF WE CAN GET THOSE JOURNALS
17 WHO ARE IN THIS SPACE THAT MIGHT SHOW AN INTEREST.
18 WE DO KNOW THAT THERE'S AT LEAST ONE JOURNAL THAT
19 WOULD SHOW AN INTEREST. WE BELIEVE THAT THERE MIGHT
20 BE ONE OR SEVERAL OF THE JOURNALS WOULD SHOW AN
21 INTEREST. AND THE 200,000 WOULD JUST HELP TO DEFRAY
22 SOME OF THE COSTS IN THE ESTABLISHMENT OF THE
23 JOURNAL.

24 SO WE THINK THE WHOLE FIELD IS REALLY
25 NEEDING THIS. WE THINK WE CAN MAKE A CONTRIBUTION

BARRISTERS' REPORTING SERVICE

1 AT THE MOMENT. WE THINK IT'S HIGHLY DESIRABLE FOR
2 OUR DISEASE TEAMS AND OUR PRECLINICAL RESEARCHERS
3 AND ALSO FOR THE FDA. THEY WOULD MAKE
4 CONTRIBUTIONS, THEY SAY, TO SUCH A JOURNAL. AND I
5 THINK TO HAVE IT IN ONE REPOSITORY RATHER THAN
6 NUMEROUS, IF YOU CAN GET PEOPLE TO DO THAT, WOULD BE
7 HIGHLY VALUABLE. SO I'M A VERY STRONG ADVOCATE OF
8 HELPING IN THIS JOURNAL.

9 WHEN WE DISAPPEAR, OF COURSE, WITHIN THE
10 TWO OR THREE YEARS, FIRST THREE OR FOUR YEARS, THE
11 JOURNAL WILL BECOME, WE BELIEVE, THEY BELIEVE, THOSE
12 PEOPLE WHO ADVISED US BELIEVE, THAT THEY WILL BE
13 SELF-SUPPORTING. SO THE JOURNAL WILL CONTINUE
14 IRRESPECTIVE OF CIRM. IT'S US HELPING TO GET IT
15 ESTABLISHED.

16 DR. PIZZO: OKAY.

17 MR. SERRANO-SEWELL: THIS IS DAVID. I
18 HAVE A QUESTION TO ALAN. CAN YOU ELABORATE MORE ON
19 WHO IS THEY?

20 DR. TROUNSON: WELL, THE PEOPLE WHO
21 PROVIDE THE ACCESS JOURNALS WOULD INCLUDE THE *NATURE*
22 GROUP, WOULD INCLUDE THE *PLOS*, THE PUBLIC LIBRARY
23 GROUP, AND THERE'S ONE GROUP WE'VE TALKED TO WHO ARE
24 VERY KEEN ABOUT IT, WHO PUBLISH THE JOURNAL *STEM*
25 *CELLS*. AND THEY WOULD BE KEEN TO OPEN UP A JOURNAL

BARRISTERS' REPORTING SERVICE

1 ON TRANSLATION.

2 SO WE KNOW MEMBERS OF THOSE THREE
3 ORGANIZATIONS WOULD BE INTERESTED, AND WE DON'T KNOW
4 WHO WILL APPLY, OF COURSE, BUT WE HOPE ONE OR
5 SEVERAL OF THEM WILL.

6 MR. SERRANO-SEWELL: I DON'T KNOW A LOT
7 ABOUT JOURNALS, SO YOU HAVE TO EDUCATE ME A LITTLE
8 BIT. WOULD CIRM HAVE MANAGEMENT RESPONSIBILITY FOR
9 THE JOURNAL, OR WE'RE JUST WRITING A CHECK?

10 DR. TROUNSON: WE'D HAVE SOME ACCESS. I
11 THINK WE WOULD HOPE TO HAVE A PAGE THAT WE COULD
12 CONTRIBUTE OUR VIEWS OR CONTRIBUTIONS IN THE DISEASE
13 AREAS IF IT'S A MONTHLY JOURNAL. WE HOPE THAT THIS
14 WILL BE A MONTHLY JOURNAL. BUT THERE WOULD BE
15 TOTALLY SEPARATE EDITORIAL STAFF AND IT WOULD BE
16 MANAGED TOTALLY SEPARATELY.

17 MR. SERRANO-SEWELL: YOU MENTIONED RFP IN
18 YOUR OPENING STATEMENT.

19 DR. TROUNSON: YES.

20 MR. SERRANO-SEWELL: HOW DOES THAT RELATE
21 TO THE JOURNAL?

22 DR. TROUNSON: IT'S JUST THAT IF YOU GET A
23 CALL FOR SOMETHING THAT'S AS PRECISE AS THIS, THE
24 BEST WAY TO DO IT IS BY THE RFP PROCESS RATHER THAN
25 AN RFA PROCESS.

BARRISTERS' REPORTING SERVICE

1 MR. SERRANO-SEWELL: WHAT WOULD BE THE
2 RFP? FOR WHAT, FOR ARTICLES?

3 DR. TROUNSON: NO. NO. IT WOULD BE FOR
4 AN ENTITY INTERESTED IN ESTABLISHING THIS NEW
5 JOURNAL.

6 MR. SERRANO-SEWELL: SO YOU ENVISION CIRM
7 ISSUING THAT RFP?

8 DR. TROUNSON: I WOULD HOPE WE'D BE ABLE
9 TO ISSUE THAT RFP, YES.

10 MR. SHEEHY: I GUESS I'M CONFUSED TOO.

11 MR. SERRANO-SEWELL: I'M A LITTLE
12 CONFUSED, BUT OKAY.

13 MR. SHEEHY: I'VE HEARD OF FUNDING
14 AGENCIES CONTRIBUTING TO A JOURNAL, AND I THINK IT
15 MIGHT MAKE SENSE IF THIS IS SOMETHING THAT WAS DONE
16 THROUGH THE ISSCR, BUT I'M A LITTLE BIT LEERY ABOUT
17 US PUTTING OUT AN RFP FOR A JOURNAL AND THEN KIND OF
18 ONLY COMMITTING TO A FIFTH OF WHAT WE ANTICIPATE THE
19 COST OF RUNNING THE JOURNAL WOULD BE. PLUS, I'M NOT
20 COMFORTABLE WITH ANY ARTICLE APPEARING IN THE
21 JOURNAL BASED ON WHAT WE PAY FOR IT. I THINK
22 ANYTHING THAT APPEARS IN A SCIENTIFIC JOURNAL OUGHT
23 TO BE THERE BECAUSE IT WAS PEER REVIEWED AND
24 ACCEPTED BY THE JOURNAL OR ELSE THE JOURNAL HAS NO
25 CREDIBILITY.

BARRISTERS' REPORTING SERVICE

1 I THINK IT'S A GREAT IDEA TO HAVE A
2 JOURNAL, AND *SCIENCE* HAS DONE THIS RECENTLY WITH
3 SCIENCE TRANSLATIONAL MEDICINE, WHICH I KNOW THEY'RE
4 TRYING TO GET UP AND PEOPLE ARE TRYING TO FILL THIS
5 TRANSLATIONAL SPACE. THERE'S AN AWARENESS THAT THE
6 PUBLICATIONS AREN'T THERE RIGHT NOW. BUT IT JUST
7 SEEMS THAT THIS SHOULD BE MANAGED BY A MORE
8 INDEPENDENT ENTITY. I'D BE HAPPY TO CONTRIBUTE TO
9 IT IF IT WERE THROUGH -- A LOT OF SCIENTIFIC
10 SOCIETIES DO JOURNALS. NATIONAL ACADEMY OF
11 SCIENCES, THE INTERNATIONAL AIDS SOCIETY DOES A
12 JOURNAL. AND SO IT SEEMS LIKE IT SHOULD COME
13 THROUGH A SCIENTIFIC -- A BROADER BASED SCIENTIFIC
14 ENTITY.

15 MR. KLEIN: JEFF, IF I CAN MAYBE RESPOND
16 TO A COUPLE OF YOUR POINTS. CERTAINLY WE WOULDN'T
17 WANT AN ARTICLE APPEARING IN A JOURNAL WITHOUT A
18 CLEAR IDENTIFICATION THAT IT WAS FROM US. BUT AS
19 I'VE HEARD THIS DISCUSSED IN EXECUTIVE MEETING, THE
20 INTENT WAS TO HAVE A PAGE THAT WAS DEDICATED THAT
21 SPECIFICALLY SAYS THIS IS THE CIRM PAGE. SO IT'S
22 VERY CLEAR THIS IS NOT THE JOURNAL'S PAGE. THIS IS
23 NOT AN EDITORIAL AND THIS IS NOT AN INDEPENDENT
24 ARTICLE, BUT A VERY CLEAR IDENTIFICATION, WHICH VERY
25 CLEARLY YOU AND I SHARE THE GOAL OF MAKING CERTAIN

BARRISTERS' REPORTING SERVICE

1 THAT THE PUBLIC, THE ACADEMIC PUBLIC, OR THE LARGER
2 PUBLIC UNDERSTAND THAT IF WE'RE COMMUNICATING WITH
3 THEM, WE'RE IN CONTROL OF THIS PAGE. IT'S NOT AN
4 INDEPENDENT COMMUNICATION.

5 MR. SHEEHY: SO IT'S A FREE AD.

6 MR. KLEIN: IT'S ESSENTIALLY A FREE AD
7 THAT WE'RE GETTING FOR UNDERWRITING THIS. AND THE
8 ISSUE WAS THAT BECAUSE THERE IS A LOT OF PROMOTIONS
9 AND SENIORITY, THAT POINTS THAT ARE GIVEN
10 POTENTIALLY IN NONPROFIT INSTITUTIONS FOR
11 PUBLISHING, IF YOU DON'T HAVE A PLACE TO REALLY
12 IMMEDIATELY PUBLISH ALL THIS GREAT WORK ON
13 TRANSLATION THAT'S GOING ON, THE SYSTEM FAILS
14 BECAUSE WE DON'T HAVE A FEEDBACK SYSTEM. BUT IT
15 WOULD BE A PEER-REVIEWED JOURNAL SO THAT NO ONE CAN
16 PUBLISH IN IT WITHOUT HAVING THEIR ARTICLE FULLY
17 PEER REVIEWED. AND THIS ALLOWS, THEN, THE NONPROFIT
18 CONTRIBUTORS TO OUR FIELD TO SEE WHETHER THEIR
19 FACULTY AND CONTRIBUTORS ARE, IN FACT, BEING
20 RECOGNIZED IN A PEER-REVIEWED PROCESS FOR
21 TRANSLATIONAL MEDICINE. AND WE DO WANT TO BE ABLE
22 TO HAVE THAT.

23 BUT BECAUSE CIRM HAS BECOME SUCH AN
24 IMPORTANT INTERNATIONAL LEADER, THE PROBLEM, WHICH
25 IS AT THIS POINT HOPEFULLY A BLESSING, IS THAT WE'RE

BARRISTERS' REPORTING SERVICE

1 LOOKED TO FOR LEADERSHIP IN ESTABLISHING IN THIS
2 CASE A JOURNAL, BUT FOR FILLING INSTITUTIONAL GAPS
3 THAT EXIST IN THE PROCESS OF MOVING THE WHOLE FIELD
4 FORWARD.

5 DR. TROUNSON: SO I THINK IN THIS
6 TRANSLATIONAL AREA, WE'RE CONSIDERED TO BE PRETTY
7 IMPORTANT IN THIS SPACE. AND SO LIKE, I GUESS LIKE
8 A MASS GENERAL HAS CASE STUDIES IN THE *NEW ENGLAND*
9 *JOURNAL OF MEDICINE* AND THE ISSCR HAS CONTRIBUTIONS
10 IN THE *CELL STEM CELL*, IT'S A WAY OF ACTUALLY
11 ASSISTING THE FIELD, I THINK ENCOURAGING THE FIELD
12 TO BRING FORTH THESE STUDIES. AND TO HAVE A JOURNAL
13 FOR ENCOURAGING THOSE SORT OF THINGS WOULD BE
14 TERRIFIC FOR US. OR IF THERE IS A CASE STUDY WHICH
15 OTHERWISE COULDN'T BE BROUGHT FORWARD, THERE WOULD
16 BE A WAY TO DO THAT.

17 IT WOULD BE A TOTALLY INDEPENDENT
18 ACTIVITY, AND THE EDITORS AND THE REVIEWERS ARE
19 TOTALLY INDEPENDENT OF US, HAVE NOTHING IN
20 PARTICULAR IN ANY WAY ASSOCIATED WITH US. BUT I
21 THINK THE FIELD IS KIND OF LOOKING TO US TO HELP IN
22 THIS RESPECT, AND THAT INCLUDES ALL OF SCIENCE AND
23 REGULATORY AGENCIES. AND I DON'T THINK THERE'S MANY
24 OTHER OPPORTUNITIES TO DO THIS AT THE PRESENT TIME
25 AT ALL.

BARRISTERS' REPORTING SERVICE

1 SO MY FEELING IS THAT WE WILL -- IF WE
2 ENCOURAGE IT, WE WILL GET A RESPONSE. THERE'S AT
3 LEAST ONE OF THEM. *NATURE* WAS ALSO INTERESTED. SO
4 WHAT HAPPENS, OF COURSE, WE HAVE TO DECIDE WHEN WE
5 SHOW AN INTEREST IN CONTRIBUTING IN THIS WAY, BUT WE
6 WOULD LIMIT OUR CONTRIBUTIONS TO 200,000 A YEAR.

7 MR. SHEEHY: WHO ARE POTENTIAL OTHER
8 CONTRIBUTORS?

9 DR. TROUNSON: WELL, CONTRIBUTORS TO THE
10 JOURNAL OR TO THE --

11 MR. SHEEHY: FINANCIAL CONTRIBUTORS.

12 DR. TROUNSON: NO. SOMETIMES THEY MAKE
13 CHARGES ON THE AUTHORS FOR PUBLISHING IN OPEN
14 JOURNALS. THEY'RE ABLE TO GET SOME ADVERTISING.
15 SOMETIMES SOCIETIES CONTRIBUTE. WE HAVEN'T
16 REALLY -- TILL WE LOOK AT WHAT THE PROPOSAL IS, WE
17 WOULDN'T BE SURE. BUT THEY WILL BE ABLE TO
18 REASONABLY FIND THE FINANCES FOR THE REMAINDER, I
19 THINK. THAT'S THE ADVICE TO US.

20 MR. KLEIN: TO RESPOND, I FORGET WHETHER
21 IT'S DAVID SERRANO-SEWELL OR, JEFF, YOUR POINT, BUT
22 IT'S MY UNDERSTANDING THAT OUR CONTRIBUTION WOULD BE
23 CONTINGENT UPON A DEMONSTRATION THAT THEY HAD THE
24 BALANCE OF THE MONEY NECESSARY FOR THE PUBLICATION.

25 MR. SHEEHY: I STILL HAVE TROUBLE KNOWING

BARRISTERS' REPORTING SERVICE

1 WHO THEY ARE.

2 DR. TROUNSON: THEY'RE THE PEOPLE WHO WILL
3 INDICATE THEIR INTEREST.

4 MR. KLEIN: IF THERE IS AN RFP, IT'S THE
5 RESPONDENTS TO THE RFP. SO IF *NATURE* HAPPENS TO BE
6 THE SUCCESSFUL RESPONDENT TO THE RFP, *NATURE* WOULD
7 HAVE TO DEMONSTRATE THAT THEY HAVE THE BALANCE OF
8 FUNDING AVAILABLE BEFORE IT'S USED FOR THIS VENTURE.
9 SO IT'S NOT A SITUATION WHERE WE WOULD BE
10 CONTRIBUTING AND THEN THERE WOULDN'T BE A JOURNAL.

11 IF IT WOULD MAKE IT MORE COMFORTABLE FOR
12 THE BOARD, ONCE THE RFP OCCURS AND THE PRESIDENT HAS
13 DECIDED ON HIS RECOMMENDATION, WE CAN BRING IT TO
14 THE BOARD TO JUST SEE THE WHOLE PACKAGE FOR FINAL
15 APPROVAL.

16 MR. SHEEHY: I THINK THAT WOULD BE
17 REASONABLE.

18 DR. PIZZO: I SUPPORT THAT.

19 CHAIRPERSON FEIT: ANY OTHER QUESTIONS?

20 MR. ROTH: JOHN, COULD YOU, AGAIN, JUST ON
21 TABLE 6, I GUESS IT IS, SO WE'RE SHOWING OUR BUDGET
22 FOR 2008-9 AT 10,400,000, AND THEN THIS YEAR'S
23 BUDGET '09-'10 AT 12 MILLION 945, BUT WE STILL HAVE
24 ONLY THROUGH THE END OF MAY RECORDED EXPENDITURES OF
25 9.7. AND DID YOU SAY YOU EXPECT THAT WE'RE GOING TO

BARRISTERS' REPORTING SERVICE

1 END THE YEAR AT SOMETHING, IF I DID THE MATH
2 CORRECTLY, 12.2 MILLION, WHICH MEANS THERE'S ANOTHER
3 2.6 MILLION THAT WILL BE EXPENDED IN JUNE?

4 DR. ROBSON: YEAH, THAT'S CORRECT. KEEP
5 IN MIND, THOUGH, THAT WHAT WE HAVE SO FAR IS
6 EXPENDITURES THAT HAVE BEEN REGISTERED THROUGH MAY,
7 BUT THEY DON'T INCLUDE MUCH OF WHAT IS ACTUALLY
8 EXPENDED IN MAY OR COMMITTED IN MAY. SO REALLY WHAT
9 WE'VE GOT IS TWO MORE MONTHS LEFT.

10 MR. ROTH: DO YOU EXPECT THAT WHEN YOU
11 CLOSE THE BOOKS ON THIS YEAR THAT EXPENDITURES WILL
12 BE ABOUT 12.3?

13 DR. ROBSON: YES. THAT'S IN TABLE 7.

14 MR. ROTH: DO WE HAVE A TABLE 7?

15 DR. ROBSON: TABLE 7 SHOWS WHAT WE'VE
16 PROJECTED. IT SHOWS OUR 2009 APPROVED BUDGET, OUR
17 PROJECTED BUDGET THROUGH THE END OF THE YEAR, AND
18 THE DIFFERENCE. IT ALSO COMPARES IT TO WHAT OUR
19 PROPOSED BUDGET IS.

20 MR. ROTH: FOR SOME REASON, I DON'T HAVE
21 THAT. DOES EVERYBODY HAVE IT?

22 MR. KLEIN: YES. IT'S ABOUT A 5-PERCENT
23 DIFFERENTIAL, DUANE, BETWEEN THE BUDGET AND
24 EXPENDITURES ONCE ALL THE ACCRUALS HAVE BEEN POSTED.

25 DR. ROBSON: IT'S TOO BAD YOU DON'T HAVE

BARRISTERS' REPORTING SERVICE

1 THAT, DUANE.

2 MR. ROTH: I'LL GET IT.

3 DR. ROBSON: WE MADE SURE WE GOT THAT
4 PARTICULARLY, ESPECIALLY FOR YOU.

5 MR. ROTH: THAT'S WHY I WAS LOOKING FOR
6 IT.

7 MS. KING: AMY IS GOING TO E-MAIL THAT ONE
8 DOCUMENT TO YOU AND LAUREN RIGHT NOW. THERE'S SO
9 MANY DOCUMENTS FOR THIS MEETING, IT'S
10 UNDERSTANDABLE. THEY ALL CAME AS SEPARATE
11 DOCUMENTS, BUT THAT WAY YOU KNOW WHAT THEY ARE, BUT
12 IT'S UNDERSTANDABLE MAYBE ONE DIDN'T GET PRINTED OR
13 SOMETHING.

14 MR. ROTH: THAT'S FINE. I DID THE MATH.
15 YOU'VE ANSWERED THE QUESTIONS. WE DON'T NEED TO
16 SPEND MORE TIME ON THAT.

17 MS. KING: IT'S ALSO POSTED ONLINE, BY THE
18 WAY. FOR ANYONE THAT'S MISSING ANY OF THE
19 DOCUMENTS, WHEN WE REFER TO THEM, IF YOU'RE SITTING
20 AT A BROWSER, THESE DOCUMENTS ARE POSTED ATTACHED TO
21 THE AGENDA IF YOU HAVE ACCESS TO THAT.

22 MR. SHEEHY: MAYBE THIS IS A QUESTION FOR
23 THE CHAIR OF THE SUBCOMMITTEE. COULD WE JUST -- I'M
24 LOOKING AT THE OFFICE OF THE CHAIR, IN TERMS OF
25 SALARIES, COULD WE JUST ADOPT THE BRACKETED NUMBER?

BARRISTERS' REPORTING SERVICE

1 I SURE WOULDN' T WANT TO GO INTO OUR -- I WOULDN' T
2 WANT TO APPROACH FILLING THE CHAIR AND VICE CHAIR
3 POSITION ASSUMING -- UNFORTUNATELY IT SEEMS LIKE
4 THAT' S WHERE WE ARE HEADED -- WITH INDICATING THAT
5 WE DO NOT -- WE ONLY EXPECT THE VERY WEALTHY TO ABLE
6 TO DO THESE POSITIONS. SO I THINK BY INCLUDING A
7 LINE ITEM THAT GIVES MAXIMUM FLEXIBILITY TO THE
8 CONSTITUTIONAL OFFICERS TO NOMINATE AN INDIVIDUAL
9 REGARDLESS OF THEIR PERSONAL WEALTH, WHICH IS WHAT I
10 UNDERSTAND THE BRACKETED NUMBER TO BE, I THINK THAT
11 THAT WOULD BE WELL ADVISED.

12 I SURE WOULDN' T WANT TO TELL THE GOVERNOR
13 OR THE TREASURER OR THE CONTROLLER OR THE LIEUTENANT
14 GOVERNOR THAT THEY' RE ONLY LIMITED TO PEOPLE WHO CAN
15 SERVE BASED ON THEIR OWN PERSONAL -- THE FACT THAT
16 THEY' RE PERSONALLY WEALTHY.

17 DR. TROUNSON: SO JUST TO CORRECT THAT,
18 THE REASON FOR THE BRACKETS WAS THAT WE DIDN' T WANT
19 TO MAKE A PRESUMPTION ABOUT WHO THE GOVERNOR WAS
20 GOING TO APPOINT TO THE ICOC. SO WE PUT IT IN
21 BRACKETS BECAUSE IT WAS NOT SOMETHING THAT WE WERE
22 GOING TO MAKE -- THAT STAFF WERE GOING TO MAKE AN
23 ASSUMPTION ON. SO IT WASN' T TO DO WITH WHETHER
24 PEOPLE WERE WEALTHY. IT' S JUST ABOUT US NOT MAKING
25 THAT ASSUMPTION.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: IT'S US MAKING A POLICY.
2 THAT'S WHY I DIRECTED IT TO THE CHAIR OF THE
3 COMMITTEE, THAT IF WE COULD GO AHEAD -- I MEAN I
4 UNDERSTAND THE RATIONALE FOR THE TWO NUMBERS, BUT I
5 THINK IT MAKES PERFECT SENSE AS A POLICY DECISION TO
6 ADOPT THE BRACKETED.

7 MR. KLEIN: IN SUPPORT OF JEFF'S POSITION,
8 MARCY, THIS IS BOB KLEIN, COULD I SPEAK TO THAT?

9 CHAIRPERSON FEIT: YES, PLEASE.

10 MR. KLEIN: SO THIS IS BOB KLEIN. SINCE
11 WE ARE STATUTORILY REQUIRED TO PROVIDE A SALARY
12 WITHIN THE SALARY RANGES UNLESS THE PERSON
13 SPECIFICALLY WAIVES IT, I THINK JEFF'S IS VERY
14 APPROPRIATE. WE SHOULD PROVIDE THAT SALARY IN OUR
15 BUDGET TO MEET THEIR STATUTORY REQUIREMENTS. IF THE
16 PERSON IS ABLE TO WAIVE A PORTION OF IT, THEY CAN.
17 BUT MY UNDERSTANDING OF THIS NUMBER IS IT CONTINUES
18 THE CURRENT LEVEL THROUGH DECEMBER, AND THEN FOR THE
19 SECOND HALF OF THE FISCAL YEAR, IT PROVIDES A FULL
20 SALARY; IS THAT CORRECT?

21 DR. ROBSON: IT PROVIDES A SALARY FOR THE
22 SECOND HALF OF THE YEAR AT THE -- SO THE BRACKETED
23 NUMBER INCLUDES SALARIES FOR THE CHAIR AND VICE
24 CHAIR THAT ARE FOR THE FIRST SIX MONTHS ARE WHAT THE
25 CURRENT SALARIES ARE, AND FOR THE SECOND SIX MONTHS,

BARRISTERS' REPORTING SERVICE

1 THE SALARIES ARE COMPUTED AT THE SAME ANNUAL RATE
2 FOR THE CHAIR AND THE VICE CHAIR, BUT AT A HUNDRED
3 PERCENT TIME. THE CURRENT POSITIONS ARE AT REDUCED
4 TIMES.

5 MR. KLEIN: SO IT GIVES THE BOARD AND THE
6 CONSTITUTIONAL OFFICERS, AS JEFF SAYS, A FULL RANGE
7 OF TALENT IN OUR STATE TO FIND THE BEST PERSON FOR
8 THE MISSION. AND I THINK GIVEN THE INITIATIVE
9 MANDATES THAT, UNTIL WE GO FORWARD WITH JUST ONE
10 BUDGET --

11 CHAIRPERSON FEIT: JEFF, WOULD YOU LIKE TO
12 MAKE A MOTION ON THIS, PLEASE?

13 MR. SHEEHY: I MOVE THAT WE INCLUDE THE
14 BRACKETED NUMBER AND WE DELETE THE INITIAL NUMBER
15 HERE AND MOVE THIS FORWARD WITH THE BRACKETED
16 NUMBER.

17 MR. KLEIN: I'D SECOND THE MOTION.

18 CHAIRPERSON FEIT: MELISSA, CAN WE JUST DO
19 AN AYE?

20 MS. KING: NO. I DO HAVE TO TAKE A ROLL
21 CALL VOTE, MARCY. BEFORE WE DO THAT, YOU MIGHT WANT
22 TO ASK FOR SUBCOMMITTEE COMMENTS ON THIS AND THEN
23 PUBLIC COMMENTS BEFORE I DO A ROLL CALL VOTE.

24 CHAIRPERSON FEIT: OKAY. DO WE HAVE ANY
25 FURTHER COMMITTEE COMMENTS ON THE MOTION BY JEFF?

BARRISTERS' REPORTING SERVICE

1 MR. SERRANO-SEWELL: JUST TO ADD THE FULL
2 BOARD, AS YOU KNOW, MARCY, AND ANYONE WHO' S BEEN
3 HERE SINCE THE BEGINNING, WE SET THE SALARY RANGE
4 FOR THE CHAIR AND THE VICE CHAIR SOME TIME AGO AND
5 WE STAYED WITHIN THAT SALARY RANGE. AND THE
6 AGENCY' S BUDGET WOULD BE -- OUGHT TO REFLECT WHAT
7 WE' VE ALREADY DONE. AND I THINK JEFF' S MOTION,
8 WHICH I SUPPORT, DOES THAT.

9 CHAIRPERSON FEIT: OKAY. GREAT. ANY
10 OTHER COMMENTS FROM THE COMMITTEE? DO WE HAVE ANY
11 COMMENTS FROM THE PUBLIC? OKAY. MELISSA, WOULD YOU
12 TAKE A ROLL CALL VOTE PLEASE ON THE MOTION?

13 MS. KING: DONALD DAFOE.

14 DR. DAFOE: YES.

15 MS. KING: FLOYD BLOOM.

16 DR. BLOOM: YES.

17 MS. KING: MARCY FEIT.

18 CHAIRPERSON FEIT: YES.

19 MS. KING: BOB KLEIN.

20 MR. KLEIN: YES.

21 MS. KING: PHIL PIZZO.

22 DR. PIZZO: YES.

23 MS. KING: DUANE ROTH.

24 MR. ROTH: YES.

25 MS. KING: DAVID SERRANO-SEWELL.

BARRISTERS' REPORTING SERVICE

1 MR. SERRANO-SEWELL: YES.

2 MS. KING: JEFF SHEEHY.

3 MR. SHEEHY: YES.

4 MS. KING: OSWALD STEWARD.

5 DR. STEWARD: YES.

6 MS. KING: AND ART TORRES.

7 MR. TORRES: ABSTAIN.

8 MS. KING: AND THAT MOTION CARRIES, NINE
9 YES VOTES AND ONE ABSTENTION.

10 MR. KLEIN: AND, MARCY, IF I COULD MAKE
11 ONE OTHER GENERAL COMMENT. WE HAVE PENDING
12 LEGISLATION, AS WE KNOW, THAT MAY CHANGE THE NUMBER
13 OF POSITIONS IN THE AGENCY. AND IT'S MY
14 UNDERSTANDING THAT IF, IN FACT, THAT LEGISLATION
15 PASSES, AND IT APPEARS THAT THERE'S A VERY HIGH
16 DEGREE OF SUPPORT IN THE SENATE FOR IT, WE, OF
17 COURSE, AS A BOARD HAVE BEEN SUPPORTIVE OF THIS
18 LEGISLATION, SO MY UNDERSTANDING IS WE'LL COME BACK
19 AND HAVE AN AMENDED BUDGET AT THAT TIME BECAUSE WE
20 HAVE SOME VERY HIGH VALUE POSITIONS THAT ARE NOT
21 ACCOUNTED FOR IN THIS BUDGET, BUT COULD BE
22 ACCOMMODATED IN THE OFFICE OF THE CHAIR.

23 THE BOARD VOTED FOR MELISSA KING TO HAVE
24 ADMINISTRATIVE HELP TO WORK WITH THE OTHER BOARD
25 MEMBERS, ALL THE LOGISTICS FOR THE MEETINGS AS WELL

BARRISTERS' REPORTING SERVICE

1 AS FOR ALL THE BOARD MEMBER LOGISTICS. AND AS WE
2 KNOW, WE REALLY DON'T HAVE 29 BOARD MEMBERS BECAUSE
3 WITH THE ALTERNATES, WE HAVE MORE LIKE 40 BOARD
4 MEMBERS. AND WE SPENT A GREAT DEAL OF TIME TO FILL
5 THAT POSITION. IT'S A VERY IMPORTANT POSITION. SO
6 I WOULD HOPE THAT WHEN THIS PASSES, WE'LL COME BACK
7 AND BE ABLE TO RECOGNIZE THE POSITIONS IN THE
8 CHAIR'S OFFICE AS WELL AS SOME ADDITIONAL SCIENTIFIC
9 POSITIONS THAT I THINK WE REALLY NEED AS WE GO INTO
10 DISEASE TEAMS AND ADDITIONAL TRANSLATIONAL WORK.

11 MR. TORRES: ON THAT POINT, MADAM CHAIR,
12 IF I MAY, ART TORRES HERE IN SAN FRANCISCO.

13 CHAIRPERSON FEIT: YES, ART. GO AHEAD.

14 MR. TORRES: THAT'S WHY I WAS CONFUSED BY
15 JOHN ROBSON'S NOTES ON THE BUDGET, ITEM NO. 1 BULLET
16 ON THE SIX-MONTH ADMINISTRATIVE ASSISTANT POSITIONS
17 BEING RETURNED TO THE SCIENCE OFFICE. I WAS UNAWARE
18 OF AN AGREEMENT THAT HAD BEEN MADE IN THAT REGARD.
19 SO I'M TRYING TO FIGURE OUT, GIVEN OUR INTERNAL
20 POLICIES DOCUMENT, WHICH WAS PASSED AND APPROVED ON
21 DECEMBER 12, '07, WITH AMENDMENTS, IT SAYS THE
22 OFFICE OF THE CHAIR SHALL BE LIMITED TO NO MORE THAN
23 SIX EMPLOYEES WHOSE DUTIES ARE TO SUPPORT THE
24 CHAIRPERSON AND AN ADDITIONAL TWO EMPLOYEES WHOSE
25 PRIMARY DUTIES ARE TO SUPPORT THE VICE CHAIRMEN OF

BARRISTERS' REPORTING SERVICE

1 THE INSTITUTE.

2 SO THAT COMES UP TO EIGHT, SO I DON'T KNOW
3 WHY WE EVEN HAVE TO HAVE THIS KIND OF REMOVAL OF
4 THESE SIX-MONTH ADMINISTRATIVE ASSISTANT POSITIONS.

5 DR. ROBSON: THE REASON THAT HAPPENED IS
6 THOSE NUMBERS THAT YOU ARE REPORTING THERE ARE
7 MAXIMUM. THEY'RE UPPER LIMITS. WE'VE BEEN DOING
8 STAFFING PLANS OVER THE YEARS -- I MEAN IN THE LAST
9 YEAR SINCE I'VE BEEN HERE. AND SO THE TOTAL
10 POSITIONS THAT ARE CURRENTLY IN THE OFFICE OF THE
11 CHAIR IS A LITTLE OVER SEVEN. BUT THIS -- WHEN THIS
12 CAME UP, IF YOU RECALL, WHEN YOU FIRST CAME HERE,
13 YOU HAD AN ASSISTANT THAT WAS HIRED ON A CONTRACT
14 BASIS, NOT --

15 MR. TORRES: THAT WAS CONSISTENT WITH THIS
16 DOCUMENT AS THE INTERNAL POLICY.

17 DR. ROBSON: AS A CONTRACT POSITION.

18 MR. TORRES: I'M JUST TRYING TO FIGURE OUT
19 IS THIS POLICY IN OPERATION, OR IS IT JUST A FIGMENT
20 OF MY IMAGINATION?

21 DR. ROBSON: IT'S IN OPERATION, BUT THOSE
22 ARE MAXIMUMS.

23 MR. TORRES: YOU WEREN'T DOING ME A FAVOR.
24 IT WAS ALREADY INCLUDED WITHIN WHAT'S REQUIRED.

25 DR. ROBSON: I'M NOT SAYING WE WERE DOING

BARRISTERS' REPORTING SERVICE

1 YOU A FAVOR. I'M JUST SAYING THAT'S HOW WE PROVIDED
2 THE POSITION WAS THROUGH A CONTRACT. AND THEN THERE
3 WAS DISCUSSION WHEN THE ISSUE CAME UP ABOUT
4 PROVIDING FOR MELISSA HOW TO DO THIS. AND WE HAD TO
5 BALANCE -- THIS IS WHAT WE BALANCE ALL THE TIME IS
6 STAFF POSITIONS VERSUS CONTRACT POSITION.

7 MR. KLEIN: JOHN, LET'S DO THIS.

8 MR. TORRES: THAT TOOK FROM JUNE IN SAN
9 DIEGO WHEN WE MET UNTIL WHEN WAS YOUR POSITION
10 FINALLY FILLED?

11 MS. KING: APRIL.

12 MR. TORRES: I JUST WANT TO MAKE SURE --

13 CHAIRPERSON FEIT: CAN WE HAVE ONE PERSON
14 TALK AT A TIME, PLEASE. ART FIRST.

15 MR. TORRES: THANK YOU. I JUST WANT TO
16 MAKE SURE WHETHER THIS INTERNAL GOVERNANCE POLICY IS
17 OPERATIONAL. AND IF SO, SHOULDN'T THE BUDGET
18 REFLECT THIS?

19 CHAIRPERSON FEIT: THIS IS MARCY FEIT. MY
20 RECOLLECTION IS THE BOARD APPROVED THESE
21 ADMINISTRATIVE ASSISTANT POSITIONS. SO I'M
22 CONCERNED TOO ALSO THAT THEY'RE NOT REFLECTED IN THE
23 BUDGET.

24 MR. SHEEHY: AS A PERSON WHO HAS REALLY
25 SUFFERED SINCE I FIRST BROUGHT THIS UP IN JUNE UNTIL

BARRISTERS' REPORTING SERVICE

1 MARCH WITH TRYING TO FUNCTION IN MY STATUTORY ROLE
2 AS APPOINTED BY THE PRESIDENT PRO TEM OF THE SENATE
3 AND HAVING THE OBSTACLE OF NOT ENOUGH ADMINISTRATIVE
4 SUPPORT PROVIDED BY THE AGENCY IN ORDER TO REALLY
5 FULFILL THIS ROLE, I CAN SAY THAT SINCE THIS ROLE
6 HAS BEEN FILLED, IT HAS GREATLY ALLEVIATED THE
7 BURDENS UPON ME AND MADE MY SERVICE MUCH EASIER.
8 AND I'M SURE IT SHOWS RESPECT FOR THE
9 CONSTITUTIONAL -- FOR THE APPOINTING OFFICER AND THE
10 APPOINTING BODY TO ENABLE THE PROPER STAFFING TO
11 ENABLE THE REPRESENTATIVE TO FUNCTION.

12 SO I WOULD LIKE -- GIVEN THAT THE BOARD
13 HAS ALREADY ADOPTED THIS, I'D LIKE TO SEE BOTH THESE
14 POSITIONS BUDGETED THROUGH INTO THE NEXT FISCAL
15 YEAR. I DON'T THINK THIS IS AN ITEM FOR
16 NEGOTIATION. THIS IS WHAT THE APPROPRIATE STAFFING
17 FOR THE OFFICE OF THE CHAIR SHOULD BE AS DECIDED BY
18 THE BOARD. AND THIS DECISION, WHEN THE BOARD TOOK
19 IT, WAS SUPPOSED TO BE INDEPENDENT OF WHOEVER WAS
20 SITTING IN THOSE ROLES. IT WAS NOT SUPPOSED TO BE
21 DEPENDENT UPON INDIVIDUALS. BUT REALLY WHAT WE
22 DECIDED AT THE TIME WAS THE APPROPRIATE STAFFING
23 LEVEL.

24 AND IF, IN FACT, WE'RE UNSUCCESSFUL WITH
25 THE LEGISLATURE, I WOULD RATHER COME BACK AND

BARRISTERS' REPORTING SERVICE

1 REVISIT THAN HAVE TO REVISIT THIS GOING FORWARD.
2 I'D RATHER HAVE THIS BE THE PRESUMPTION THAT WE'RE
3 GOING TO MOVE FORWARD THE WAY WE'RE STAFFED NOW IN
4 THE OFFICE OF THE CHAIR THAN THAT WE HAVE TO COME
5 BACK AND RELITIGATE THIS LATER.

6 SO I WOULD MOVE TO ADOPT THESE TWO
7 POSITIONS AS FULL TIME FOR THE --

8 CHAIRPERSON FEIT: WE HAVE A MOTION BY
9 JEFF SHEEHY TO ADOPT THESE POSITIONS.

10 MR. SHEEHY: CAN I GET A SECOND?

11 MR. TORRES: SECOND.

12 CHAIRPERSON FEIT: DO WE HAVE FURTHER
13 COMMENTS FROM THE COMMITTEE ON THE MOTION?

14 MR. SERRANO-SEWELL: JUST VERY QUICKLY, AS
15 SOMEONE WHO IS REALLY -- WELL, JEFF AND I AND A
16 COUPLE OTHER COMMISSIONERS WERE REALLY INTENSELY
17 INVOLVED IN THOSE DISCUSSIONS WITH THESE
18 ADMINISTRATIVE SUPPORT POSITIONS. AND THE BOARD
19 ULTIMATELY ADOPTED THAT POSITION. AND SO AS JEFF IS
20 SAYING, TO HAVE TO RELITIGATE THIS AND REVISIT IT
21 AGAIN A YEAR LATER IS SOMEWHAT CONFUSING TO ME AND
22 FRUSTRATING. BUT WE OUGHT TO ADOPT A BUDGET THAT
23 REFLECTS THE PUBLICLY STATED POLICY POSITION OF THE
24 FULL BOARD. WE WERE NOT AMBIGUOUS AT ALL. IT MAY
25 HAVE TAKEN TOO LONG TO HIRE PEOPLE. THAT'S A

BARRISTERS' REPORTING SERVICE

1 SEPARATE DISCUSSION. BUT IN TERMS OF PRIORITIZING
2 WHERE STAFF SHOULD BE, WE'RE ON RECORD ALREADY.

3 DR. PIZZO: I AGREE.

4 CHAIRPERSON FEIT: ANY OTHER DISCUSSION OR
5 COMMENTS FROM THE COMMITTEE?

6 DR. ROBSON: I'D JUST REMIND YOU THAT THIS
7 ARRANGEMENT WAS NEGOTIATED BETWEEN THE OFFICE OF THE
8 PRESIDENT AND THE OFFICE OF THE CHAIR A YEAR AGO, A
9 YEAR OR MORE AGO.

10 AND SECONDLY, IF WE -- IF YOU ADOPT TO
11 HAVE A POSITION, ONE FULL-TIME POSITION OR TWO
12 FULL-TIME POSITIONS FOR THE SECOND HALF OF THE YEAR,
13 WE WILL HAVE TO REMOVE ONE OF THE POSITIONS FROM
14 ANOTHER ADMINISTRATIVE UNIT TO STAY WITHIN OUR
15 50-PERSON LIMIT.

16 DR. TROUNSON: I THINK THAT'S THE POINT.
17 WE'VE BEEN TRYING TO DEAL WITH THIS WITH AN OVERALL
18 SITUATION. WE DON'T THINK THAT WE CAN ACTUALLY
19 APPOINT SCIENCE OFFICERS AS CONSULTANTS. IT
20 DOESN'T -- IT JUST DOESN'T -- WON'T WORK FOR US. SO
21 WE WILL HAVE TO TAKE IT AWAY FROM SCIENCE OFFICERS,
22 SO WE'LL HAVE TO SLOW THE PROGRAM.

23 I THINK WITH A CAP ON THE NUMBER OF
24 POSITIONS, WE HAVE TO SLOW IT. I DO THINK WE CAN
25 ACTUALLY WORK WITH THESE POSITIONS AS CONSULTANTS IN

BARRISTERS' REPORTING SERVICE

1 SUPPORT OF MELISSA AND IN SUPPORT OF ART. I THINK
2 WE CAN ACTUALLY DO THAT, BUT WE CAN'T ACTUALLY GET
3 APPOINTMENTS AS CONSULTANTS TO WORK AS SCIENCE
4 OFFICERS.

5 SO THAT'S THE DISCUSSION THAT I HAD WITH
6 THE CHAIR. IT'S A VERY -- WE'RE INTO A VERY HEAVY
7 PROGRAM NOW WITH OUR DISEASE TEAMS AND THE
8 TRANSLATIONAL AREAS, AND WE DESPERATELY NEED THESE
9 ADDITIONAL STAFF TO EVEN MAINTAIN WHERE WE'RE GOING.
10 WITHOUT THOSE POSITIONS, THEN IT BECOMES REALLY,
11 REALLY CRUCIAL. SO THIS IS LOOKING OVERALL AT THE
12 BEST FIT FOR THE AGENCY. SO WE WANTED TO REFLECT
13 THAT IN THE CURRENT BUDGET.

14 AND, OF COURSE, IF THE LEGISLATION GOES
15 THROUGH, AS BOB SAYS, WE CAN MAKE THE APPROPRIATE
16 ADJUSTMENTS, BUT OTHERWISE WE WILL HAVE TO TAKE OUT
17 THOSE SCIENCE OFFICERS WITH SUPPORTING THE NEW
18 POSITION OF VP R&D AND THE CLINICAL END OF THE
19 SCIENCE PROGRAM.

20 MR. KLEIN: TWO THINGS. ONE, I DO BELIEVE
21 THIS LEGISLATION IS GOING THROUGH, BUT I ALSO
22 UNDERSTAND THAT IT HAS BEEN A VERY IMPORTANT
23 CONTRIBUTION TO SERVING THE NEEDS OF ALL 29 MEMBERS
24 OF THE BOARD AND THEIR ALTERNATES TO HAVE THIS
25 ADDITIONAL STAFFING. IT'S BEEN CRITICAL. THEY WERE

BARRISTERS' REPORTING SERVICE

1 AT A BREAKING POINT FOR SOME TIME UNTIL THOSE
2 POSITIONS WERE FILLED.

3 I DO BELIEVE, ALAN, THERE ARE POSITIONS
4 OTHER THAN SCIENCE OFFICERS. I THINK THE SCIENCE
5 OFFICE HAS TO BE AN ABSOLUTE PRIORITY. THERE'S
6 OTHER POSITIONS IN THIS AGENCY THAT CAN BE PUT ON A
7 CONSULTANT STATUS. BUT I DO THINK THAT WE'RE GOING
8 TO BE IN A POSITION WE'RE GOING TO BE ABLE TO FILL
9 BOTH THESE BECAUSE I THINK THIS LEGISLATION IS GOING
10 THROUGH. AND I DO UNDERSTAND THE SENSITIVITY OF THE
11 BOARD MEMBERS WANTING TO MAKE SURE THAT WHAT THEY
12 PREVIOUSLY PASSED AS A MOTION IS, IN FACT,
13 RECOGNIZED.

14 SO ON THE ONE HAND, I'M GOING TO BE
15 SUPPORTIVE OF THIS MOTION; BUT SINCE I'M NOT GOING
16 TO BE THERE AS CHAIR AND IT'S BEEN POINTED OUT TO ME
17 THAT TO RECRUIT A CHAIR AND VICE CHAIRS, IT'S GOING
18 TO BE VERY DIFFICULT UNLESS WE CAN POINT OUT THAT
19 THEY HAVE THE PROPER SUPPORT AND THAT THERE'S PROPER
20 SUPPORT FOR THE BOARD. GIVEN THAT CHALLENGE THAT'S
21 COMING UP, WHICH IS NOT A CHALLENGE THAT I'M GOING
22 TO HAVE TO FACE, SOMEONE ELSE IS GOING TO HAVE TO
23 FACE, I DO UNDERSTAND THAT WE HAVE TO BE IN A
24 POSITION THAT WE KNOW WE'RE GOING TO BE ABLE TO MEET
25 THE REQUIREMENTS THAT JEFF SHEEHY AND DAVID

BARRISTERS' REPORTING SERVICE

1 SERRANO-SEWELL HAVE ARTICULATED AND THAT THE BOARD
2 PREVIOUSLY ADDRESSED IN A MOTION.

3 MR. SHEEHY: I JUST WANTED TO REITERATE
4 THAT THE BOARD ADOPTED ON 12/12/2007 A POLICY AND AN
5 ORGANIZATIONAL CHART THAT MADE SIX EMPLOYEES IN THE
6 OFFICE OF THE CHAIR INDEPENDENT OF THE CHAIR. SO
7 THE CHAIR DOESN'T COUNT IN THAT. TWO PEOPLE TO
8 SUPPORT THE VICE CHAIR INDEPENDENT OF THE VICE
9 CHAIR, SO THAT REALLY LEAVES STAFFING FOR THE OFFICE
10 OF THE CHAIR ACTUALLY AT TEN BECAUSE WE'RE BELOW.
11 SO WE'VE ALREADY ADOPTED THAT.

12 IN LOOKING AT THIS BUDGET, THE WAY I SEE
13 IT DESCRIBED, I SEE 28 PEOPLE IN THE SCIENCE OFFICE
14 RIGHT NOW, TEN IN THE OFFICE OF ADMINISTRATION, FIVE
15 IN THE OFFICE OF THE PRESIDENT, AND 7.3 IN THE
16 OFFICE OF THE CHAIR. NOW, ONE OF THESE POSITIONS IN
17 THE SCIENCE OFFICE IS DESCRIBED AS VACANT, TBD. I
18 DON'T THINK THAT'S MORE IMPORTANT THAN HAVING THE
19 SUPPORT FOR THE BOARD THAT WE HAVE ASKED FOR
20 CONTINUOUSLY SINCE LAST JUNE. AND I'M REALLY
21 DISTURBED THAT THE ABILITY OF THE VICE CHAIR OF THE
22 GRANTS WORKING GROUP TO FUNCTION IS NOT CONSIDERED
23 ON PAR WITH OTHER ELEMENTS OF THIS AGENCY. THE
24 ABILITY OF THE BOARD TO EXERCISE ITS OVERSIGHT
25 APPROPRIATELY ISN'T CONSIDERED TO HAVE THE VALUE

BARRISTERS' REPORTING SERVICE

1 THAT OTHER FUNCTIONS WITHIN THIS AGENCY HAVE.

2 AND SO, YOU KNOW, MAYBE WE OUGHT TO JUST
3 START LOOKING AT ALL THE POSITION THAT ARE BEING PUT
4 FORWARD AND SEE WHICH ONES WOULD BE MORE APPROPRIATE
5 FOR CONTRACT BECAUSE I THINK OVERSIGHT HAS TO BE ONE
6 OF THE PRIMARY RESPONSIBILITIES OF THIS AGENCY.

7 MR. KLEIN: THERE'S A MOTION ON THE FLOOR.

8 CHAIRPERSON FEIT: WE HAVE A MOTION ON THE
9 FLOOR. DO WE HAVE ANY FURTHER COMMENTS FROM OTHER
10 COMMITTEE MEMBERS? ANY COMMENTS FROM THE PUBLIC AT
11 THIS TIME? --

12 MS. BAUM: I JUST WANT TO RECLARIFY, THIS
13 IS ELONA BAUM SAYING THAT THERE WAS AN AGREEMENT
14 THAT WAS REACHED, BECAUSE OF THIS NEED FOR THE
15 SCIENTIFIC OFFICERS, THAT THE POSITION THAT WAS
16 FILLED TO SUPPORT MELISSA KING, AND IT'S FINE
17 INTERNALLY --

18 MR. SHEEHY: A SIGNED INTERNAL DOCUMENT
19 DOES NOT HAVE THE VALUE OF MOTIONS THAT ARE ADOPTED
20 BY THE BOARD. THE POLICY OF THE BOARD IS
21 DETERMINATIVE.

22 MS. BAUM: CAN I FINISH MY POINT? I THINK
23 THAT'S COURTEOUS, AND I'LL BE HAPPY TO --

24 MR. SHEEHY: DO WE HAVE OVERSIGHT OR NOT?

25 MR. KLEIN: STAFF SHOULD BE ABLE TO

BARRISTERS' REPORTING SERVICE

1 ADDRESS THIS.

2 MS. BAUM: SO EVERYBODY IS FULLY INFORMED
3 AS TO WHAT TRANSPIRED BECAUSE (INTERFERENCE ON
4 PHONE) WENT THROUGH IT. IT'S NOT THAT THESE THINGS
5 HAPPEN (INTERFERENCE.) IT WAS DECIDED THAT IN THE
6 BEST INTEREST OF THE MISSION AND NEED TO HIRE
7 SCIENTIFIC STAFF, THAT YOU WOULD ONLY HIRE THIS
8 POSITION UNTIL 2010 BECAUSE IT IS MUCH EASIER TO
9 FILL THIS POSITION WITH A CONTRACT OR TERM TYPE OF
10 EMPLOYEE VERSUS A SCIENTIFIC OFFICER. SO I'M A
11 LITTLE CONCERNED. I DON'T HAVE THE FACTS HERE, SO
12 I'LL SAY THAT BY GOING DOWN THE PATH YOU'RE GOING
13 TO, YOU MIGHT FORECLOSE THE ABILITY TO HIRE THAT TO
14 BE DETERMINED SCIENTIFIC OFFICER.

15 CHAIRPERSON FEIT: EXCUSE ME. CAN I FIND
16 OUT WHO JUST SPOKE?

17 MR. KLEIN: ELONA BAUM, GENERAL COUNSEL
18 INTERNALLY.

19 CHAIRPERSON FEIT: MY COMMENT TO THAT IS
20 THAT MY CONCERN IS WE HAVE A BOARD OF THIS AGENCY
21 THAT VOTED ON A SUPPORT FOR PERSONNEL, AND THAT IS
22 NOT BEING ACKNOWLEDGED. I'M CONCERNED ABOUT THAT.
23 AND I THINK THAT WHILE WE'RE ALL CONSIDERATE AND
24 SENSITIVE TO CERTAINLY THE MISSION OF THE
25 ORGANIZATION, THIS WAS A MOTION THAT WAS SUPPORTED

BARRISTERS' REPORTING SERVICE

1 BY THE BOARD, THE FULL BOARD.

2 ANY OTHER COMMENTS FROM STAFF OR --

3 DR. ROBSON: JOHN ROBSON AGAIN. JUST ONE
4 CLARIFICATION. IF YOU LOOK AT THE NOTES PAGE, WE
5 DID MAKE THE POINT THAT WE WOULD NEGOTIATE -- WE
6 WOULD DETERMINE WITH THE NEW CHAIR AND VICE CHAIR
7 WHAT THE NEEDS WERE AND THEN WE WOULD MEET THOSE
8 REQUIREMENTS.

9 MR. SERRANO-SEWELL: THIS IS DAVID
10 SERRANO-SEWELL SPEAKING. IT'S NOT A POINT OF
11 NEGOTIATION. NEGOTIATIONS ARE DONE. THE BOARD HAS
12 SPOKEN, PERIOD. I UNDERSTAND A HUNDRED PERCENT WHAT
13 YOU ARE SAYING, DR. ROBSON. I DO. BUT I THINK WHAT
14 NEEDS TO HAPPEN IS, IN MY OPINION, AND I THINK THIS
15 WOULD BENEFIT THE FULL BODY AND OUR FULL DISCUSSIONS
16 TOMORROW IN SAN DIEGO, AND THAT IS YOU HAVE MADE --
17 STAFF HAS MADE, AND THAT IS IT, STAFF, HAVE MADE
18 THESE PRONOUNCEMENTS THAT IF THIS COMMITTEE MAKES
19 THIS RECOMMENDATION TO THE FULL BOARD AND THE FULL
20 BOARD ADOPTS THE BUDGET WITH THE TWO POSITIONS
21 BUDGETED, THERE WILL BE OTHER SACRIFICES. THE
22 PRESIDENT HAS SAID THOSE SACRIFICES WILL HAPPEN IN
23 THE SCIENCE SIDE OF THINGS, RIGHT. I DON'T THINK
24 I'M MISCHARACTERIZING ANYTHING ALAN SAID.

25 IN MY VIEW IT'S INCUMBENT ON ALAN AND JOHN

BARRISTERS' REPORTING SERVICE

1 ROBSON TO COME UP WITH SOME PAPERWORK TO SAY AND NOT
2 SIGNED INTERNAL DOCUMENTS, BUT IF YOU DO THIS,
3 BOARD, THEN THIS IS THE POSITION WE'RE GOING TO CUT.
4 AND IF WE CUT THIS POSITION, THE MISSION, THE
5 SCIENCE MISSION, WILL SUFFER. NOW, I'VE HEARD YOU
6 SAY THAT. BUT I MEAN WE'RE TALKING ABOUT BUDGETS.
7 WE'RE TALKING ABOUT LINE ITEMS. SHOW US. SHOW ME.

8 BUT THE PREVIOUS ACTIONS OF THIS
9 COMMISSION OUGHT TO TRUMP -- ARE COMPELLING TO ME.
10 AND IF THERE WAS ANY INTERNAL DISCUSSION, WHICH I
11 WAS NOT PRIVY TO OR NO OTHER BOARD MEMBER WAS PRIVY
12 TO ABOUT THIS WILL BE THAT. THOSE CONVERSATIONS
13 HAVE TO HAPPEN WITHIN THE CONTEXT OF THE BOARD HAS
14 MADE A DECISION.

15 YOU KNOW, ONCE YOU GO OUTSIDE OF THAT, AND
16 WHAT I ADVISE MY CLIENTS, I TELL THEM THAT YOUR
17 GOVERNING BODY, THE PEOPLE THAT YOU REPORT TO, HAVE
18 INSTITUTED A POLICY. DON'T NEGOTIATE AROUND THEM.
19 DON'T UNDERCUT THEM. AND DON'T COME UP WITH A
20 DOCUMENT THAT IS COUNTER TO WHAT THEY'RE SAYING. IF
21 YOU NEED TO EFFECTUATE IT, EFFECTUATE IT, BUT KEEP
22 IN MIND WHAT THE GOVERNING BOARD HAS DONE.

23 MR. KLEIN: TO PUT THIS IN PERSPECTIVE,
24 I'D LIKE TO INDICATE IN THE PRIOR TIME PERIOD WHEN
25 IT WAS NOT CLEAR TO ME THAT I WAS NOT GOING TO HAVE

BARRISTERS' REPORTING SERVICE

1 THE TIME TO BE ABLE TO CONTINUE AT THE BOARD, I FELT
2 THAT WE COULD GET RELIEF ON THE CAP. AND,
3 THEREFORE, I FELT THAT IF WE COULDN'T, THAT I COULD
4 MAKE ACCOMMODATIONS ON THE STAFFING. BUT THE
5 PROBLEM IS I'M NOT GOING TO BE THE CHAIR, AND THE
6 NEW CHAIR DOESN'T -- IS, IN FACT, GOING TO HAVE A
7 LARGE BURDEN AS HAS BEEN POINTED OUT BY OTHER BOARD
8 MEMBERS TO ME AND IS GOING TO BE PLAYING CATCH-UP
9 AND WILL NEED MORE SUPPORT, NOT LESS. AND,
10 THEREFORE, THIS IS A PERIOD BEYOND WHEN I AM THE
11 CHAIR.

12 AGAIN, I AM VERY OPTIMISTIC ABOUT THE
13 LEGISLATION DEALING WITH THE CAP, BUT I DO
14 UNDERSTAND THAT BOARD MEMBERS FEEL THAT THEY -- WE
15 HAD A VOTE IN A MEETING AND THAT, MY OPTIMISM
16 NOTWITHSTANDING, THEY HAVE TO MAKE SURE AS A
17 PRIORITY THAT THOSE BOARD NEEDS ARE SERVICED, AND
18 THAT'S WHAT THEY'RE VOICING.

19 DR. ROBSON: THIS IS JOHN ROBSON AGAIN.

20 DR. PIZZO: BEFORE YOU SPEAK, JOHN, THIS
21 IS PHIL. UNFORTUNATELY I FOR AN URGENT REASON HAVE
22 TO GET OFF THE CALL. ARE WE GOING TO CALL A VOTE
23 NOW, OR CAN I CAST A VOTE IN ADVANCE?

24 CHAIRPERSON FEIT: IF THERE'S ANY ISSUE
25 THAT HAS NOT BEEN STATED, I DON'T WANT TO RESTATE

BARRISTERS' REPORTING SERVICE

1 THE ISSUES AT THIS TIME, I'D LIKE TO HAVE COMMENTS
2 FROM THE PUBLIC AT THIS TIME. IF NO COMMENTS FROM
3 THE PUBLIC, CAN WE HAVE A ROLL CALL VOTE, MELISSA,
4 SO WE DON'T LOSE THOSE VOTES.

5 MS. KING: DONALD DAFOE.

6 DR. DAFOE: YES.

7 MS. KING: FLOYD BLOOM.

8 DR. BLOOM: YES.

9 MS. KING: MARCY FEIT.

10 CHAIRPERSON FEIT: YES.

11 MS. KING: BOB KLEIN.

12 MR. KLEIN: ABSTAIN.

13 MS. KING: PHIL PIZZO.

14 DR. PIZZO: YES.

15 MS. KING: DUANE ROTH.

16 MR. ROTH: YES.

17 MS. KING: DAVID SERRANO-SEWELL.

18 MR. SERRANO-SEWELL: YES.

19 MS. KING: JEFF SHEEHY.

20 MR. SHEEHY: YES.

21 MS. KING: OSWALD STEWARD.

22 DR. STEWARD: YES.

23 MS. KING: AND ART TORRES.

24 MR. TORRES: YES, AYE.

25 MS. KING: THAT MOTION CARRIES, NINE YES

BARRISTERS' REPORTING SERVICE

1 VOTES AND ONE ABSTENTION.

2 CHAIRPERSON FEIT: DO WE HAVE ANY OTHER
3 COMMENTS FOR STAFF REGARDING THE BUDGET PLEASE AT
4 THIS TIME?

5 MR. SERRANO-SEWELL: I HAD A QUESTION ON
6 THE PRESIDENT'S TRAVEL. THERE'S AN INCREASE. IF WE
7 DON'T HAVE TIME, WE CAN CARRY THIS CONVERSATION OVER
8 TO OUR FULL MEETING, MARCY. I DON'T MIND.

9 CHAIRPERSON FEIT: IS THIS DAVID? ARE WE
10 LOSING A QUORUM HERE, MELISSA?

11 MS. KING: WE HAD TEN PEOPLE PRESENT
12 BEFORE AND THE QUORUM REQUIREMENT IS NINE.

13 MR. SERRANO-SEWELL: MARCY, IF IT'S OKAY
14 WITH YOU, I KNOW WE'RE GOING TO LOSE QUORUM SOON AND
15 I'VE GOT TO GET TO OTHER MEETINGS. SO JUST TO GIVE
16 STAFF, BUDGET LOOKS PRETTY GOOD TO ME. THE ONE
17 ISSUE I DID WANT TO TALK ABOUT WAS THE ONLINE
18 JOURNAL. I STILL HAVE SOME QUESTIONS ABOUT IT WHICH
19 I'LL BRING UP. BUT THE OTHER POINTS, JOHN, YOU WANT
20 TO ADDRESS TO THE FULL COMMISSION IS THE INCREASE IN
21 THE PRESIDENT'S TRAVEL. YOU DON'T HAVE TO ANSWER
22 THAT NOW.

23 DR. ROBSON: COULD YOU REPEAT THAT? I
24 DIDN'T HEAR WHAT YOU SAID.

25 MR. SERRANO-SEWELL: I THINK THERE'S AN

BARRISTERS' REPORTING SERVICE

1 INCREASE IN THE PRESIDENT'S TRAVEL BUDGET. IF YOU
2 CAN GIVE SOME ELABORATION ON THAT, I WOULD
3 APPRECIATE IT AT TOMORROW'S MEETING.

4 MR. SHEEHY: LIKEWISE, COULD I GET
5 ELABORATION ON THE 400 PERCENT -- 350-PERCENT
6 INCREASE IN OTHER E&E AND THE OFFICE OF THE
7 PRESIDENT MEMBERSHIPS. THAT SEEMS LIKE A
8 SUBSTANTIAL AMOUNT OF MONEY. THAT'S 60, \$70,000
9 THAT'S JUMPING.

10 CHAIRPERSON FEIT: OKAY. ANY OTHER
11 COMMENTS AT THIS TIME?

12 MR. TORRES: ART TORRES HERE, SAN
13 FRANCISCO. SO WE'VE AGREED, THEN, TO PROCEED WITH
14 AN AMENDED OR UNDERSTANDING, BOB, ON THE 200,000 FOR
15 THE ONLINE JOURNAL?

16 MR. KLEIN: YES.

17 MR. TORRES: WE'RE NOT APPROVING THAT
18 AMOUNT NOW?

19 MR. KLEIN: WE ARE PUTTING IT IN THE
20 BUDGET, AND THEY'RE GOING TO BRING IT BACK, AS I
21 UNDERSTAND IT, TO US FOR FULL APPROVAL ONCE THE
22 PRESIDENT HAS GONE THROUGH AN RFQ PROCESS AND HAS A
23 FULL PRESENTATION ON HIS FINAL RECOMMENDATION.

24 MR. SHEEHY: IS THAT A MOTION THAT WE CAN
25 ADOPT AND ATTACH TO THE BUDGET IF IT MOVES FORWARD?

BARRISTERS' REPORTING SERVICE

1 MR. KLEIN: I DON'T THINK WE HAVE A QUORUM
2 RIGHT NOW, BUT IT COULD BE A RECOMMENDATION OF THE
3 COMMITTEE. MY UNDERSTANDING WAS THAT THAT'S HOW WE
4 WERE PROCEEDING. BUT, MARCY, DO YOU WANT TO SEE,
5 YOU WANT TO POLL THE MEMBERS ON A SENSE OF THE
6 COMMITTEE BECAUSE I DON'T THINK WE HAVE A QUORUM AT
7 THIS POINT?

8 CHAIRPERSON FEIT: MELISSA, WHY DON'T WE
9 POLL THE MEMBERS. AFTER WE -- POLL THE MEMBERS.
10 SINCE WE'VE ALREADY HAD DISCUSSION AND PUBLIC
11 COMMENT ON THIS ISSUE, LET'S POLL THE MEMBERS
12 PRESENT FOR JUST A CONSENSUS TO MAKE A
13 RECOMMENDATION GOING FORWARD.

14 MS. KING: COULD EITHER SENATOR TORRES OR
15 CHAIRMAN KLEIN REPEAT WHAT WE'RE LOOKING FOR?

16 MR. KLEIN: TO GIVE THE BOARD SOME
17 COMFORT, I THINK THIS IS A GREAT INNOVATIVE NEED FOR
18 A JOURNAL THAT DEALS WITH TRANSLATIONAL MEDICINE.
19 AND THE INTENT WOULD BE FOR THE PRESIDENT TO FOLLOW
20 HIS PLAN, REACH A FINAL RECOMMENDATION, AND JUST
21 BRING IT TO THE BOARD FOR CONCURRENCE.

22 MS. KING: I'M ASKING PEOPLE WHETHER
23 THEY'RE IN FAVOR OF OR AGAINST THIS, BUT IT'S NOT A
24 VOTE. IT'S A SENSE OF THE COMMITTEE.

25 DONALD DAFOE.

BARRISTERS' REPORTING SERVICE

1 DR. DAFOE: NO.
2 MS. KING: FLOYD BLOOM.
3 DR. BLOOM: YES.
4 MS. KING: MARCY FEIT.
5 CHAIRPERSON FEIT: YES.
6 MS. KING: PHIL PIZZO. DUANE ROTH.
7 MR. ROTH: YES.
8 MS. KING: BOB KLEIN.
9 MR. KLEIN: YES.
10 MS. KING: DAVID SERRANO-SEWELL.
11 MR. SERRANO-SEWELL: I'M NOT SURE WHAT BOB
12 SAID. IF HE SAID THAT THE PRESIDENT WILL COME TO
13 THE BOARD FOR CONCEPT APPROVAL OF AN RFQ OR RFP.
14 MR. KLEIN: FOR APPROVAL OF THE FINAL
15 PROPOSAL.
16 MR. SERRANO-SEWELL: SO ONCE THE RFP HAS
17 ALREADY ISSUED, THE SCORING HAS BEEN DONE, SO WOULD
18 WE APPROVE THE RECOMMENDATION TO AWARD THE CONTRACT?
19 MR. KLEIN: THAT'S RIGHT.
20 MR. SERRANO-SEWELL: OKAY. SO CONCEPT
21 APPROVAL IS PRETTY MUCH ALREADY HAPPENING NOW?
22 MR. KLEIN: THAT'S RIGHT.
23 MR. SERRANO-SEWELL: NO, BUT NOT A HARD
24 NO.
25 MS. KING: JEFF SHEEHY.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: NO.

2 MS. KING: OSWALD STEWARD.

3 DR. STEWARD: I AM ALSO A NO AT THIS
4 POINT. I WOULD NOT CONSIDER IT A HARD NO AND I
5 COULD BE CONVINCED, BUT I DO HAVE SOME SIGNIFICANT
6 CONCERNS THAT I NEED TO HEAR A LOT MORE INFORMATION.

7 MS. KING: AND SENATOR TORRES.

8 MR. TORRES: ABSTAIN.

9 MS. KING: FOR THOSE OF YOU ON THE BOARD
10 THAT HAVE FURTHER QUESTIONS ABOUT THIS, WOULD IT BE
11 HELPFUL IF IT COULD BE DISCUSSED IN MORE DEPTH
12 DURING THE DISCUSSION OF THE BUDGET AT THE BOARD
13 MEETING?

14 MR. ROTH: MY OWN VIEW ON THIS IS THAT I
15 WOULD NOT TAKE THE BOARD TIME TO HAVE THIS
16 DISCUSSION. I THINK YOU NEED ANOTHER GROUP TO DO
17 IT; BUT IF IT'S ANY REFLECTION OF WHAT WE JUST WENT
18 THROUGH, THAT'S GOING TO TAKE CONSIDERABLE TIME.

19 CHAIRPERSON FEIT: I AGREE. MAYBE WE
20 COULD HAVE ANOTHER CONFERENCE CALL OF THE FINANCE
21 SUBCOMMITTEE JUST TO GO OVER THIS ITEM AGAIN.
22 DOESN'T SOUND LIKE WE HAVE A CONSENSUS TO MOVE IT
23 FORWARD.

24 MS. KING: OKAY. SO WHAT I WILL DO,
25 MARCY, IS WORK WITH YOU TO SCHEDULE THAT FOR

BARRISTERS' REPORTING SERVICE

1 SOMETIME AFTER THE BOARD MEETING TO DEAL WITH THIS
2 ITEM.

3 MR. ROTH: I THINK IF YOU JUST MAKE THE
4 CASE THAT THERE'S ONE ITEM IN THE BUDGET THAT WE'RE
5 GOING TO BUDGET, BUT IT WILL HAVE A PROCESS OF
6 APPROVAL TO GET EVERYBODY'S INPUT. AND IF WE HAVE
7 TIME AT THIS MEETING AFTER WE'RE DONE WITH THE
8 BUDGET AND THEY WANT TO HAVE IT, THEN FINE, BUT MY
9 RECOMMENDATION WOULD BE NOT TO TRY TO DO THIS IN
10 REAL-TIME.

11 CHAIRPERSON FEIT: ALL RIGHT. ARE THERE
12 ANY OTHER FURTHER COMMENTS FROM THE SUBCOMMITTEE AT
13 THIS TIME?

14 MR. TORRES: THANK YOU FOR YOUR FIRST
15 CHAIRMANSHIP. WELL DONE.

16 MS. KING: THANK YOU SO MUCH, MARCY, FOR
17 DOING THIS WHILE ON VACATION.

18 MR. KLEIN: MARCY HAS HAD MANY
19 CHAIRMANSHIPS. THIS JUST HAPPENS TO BE HER FIRST
20 ONE IN THIS PARTICULAR ROLE.

21 CHAIRPERSON FEIT: ANY FURTHER PUBLIC
22 COMMENT AT THIS TIME? OKAY. THANK YOU FOR BEING
23 HERE.

24 (THE MEETING WAS THEN CONCLUDED AT
25 01:05 P.M.)

BARRISTERS' REPORTING SERVICE

REPORTER' S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE TELEPHONIC PROCEEDINGS BEFORE THE FINANCE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN' S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR ON MONDAY, JUNE 21, 2010, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.



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