

BEFORE THE
SCIENTIFIC AND MEDICAL RESEARCH FUNDING WORKING GROUP
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: MIYAKO HOTEL
1625 POST STREET
SAN FRANCISCO, CALIFORNIA

DATE: NOVEMBER 28, 2006
8:30 A.M.

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

BRS FILE NO.: 76805

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I N D E X

| ITEM | DESCRIPTION | PAGE NO. |
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| CALL TO ORDER | | 3 |
| ROLL CALL | | 3 |
| PRESIDENT'S REPORT | | 4 |
| CONSIDERATION FOR UPDATED PROCEDURES FOR THE EVALUATION AND RECOMMENDATIONS OF GRANT APPLICATIONS | | 16 |
| PUBLIC COMMENT | | 14, 21 |
| ADJOURNMENT TO CLOSED SESSION | | 30 |

1 SAN FRANCISCO CALIFORNIA; TUESDAY, NOVEMBER 28, 2006

2 8:30 A.M.

3

4 CHAIRMAN ORKIN: I'D LIKE TO CALL THIS
5 MEETING TO ORDER. THIS IS THE GRANTS REVIEW WORKING
6 GROUP FOR THE CALIFORNIA INSTITUTE FOR REGENERATIVE
7 MEDICINE, AND I'D LIKE TO FIRST HAVE A ROLL CALL.

8 DR. CHIU: DR. ALI BRIVANLOU.

9 DR. BRIVANLOU: YES.

10 DR. CHIU: DR. MARIE CSETE.

11 DR. CSETE: HERE.

12 DR. CHIU: DR. IAN DUNCAN.

13 DR. DUNCAN: HERE.

14 DR. CHIU: DR. TODD EVANS.

15 DR. EVANS: HERE.

16 DR. CHIU: MARCY FEIT. BOB KLEIN. SHERRY
17 LANSING. DR. IHOR LEMISCHKA. DR. RAY MACDONALD.

18 DR. MACDONALD: HERE.

19 DR. CHIU: DR. JEFF MACKLIS. DR. ARTHUR
20 NIENHUIS. HE IS NEXT DOOR. HE'LL BE COMING. DR. STU
21 ORKIN.

22 CHAIRMAN ORKIN: HERE.

23 DR. CHIU: DR. JIM ROBERTS.

24 DR. ROBERTS: HERE.

25 DR. CHIU: DR. RAYMOND ROOS.

1 DR. ROOS: HERE.

2 DR. CHIU: DR. PABLO RUBINSTEIN.

3 DR. RUBINSTEIN: HERE.

4 DR. CHIU: JOAN SAMUELSON. DAVID
5 SERRANO-SEWELL. JONATHAN SHESTACK. DR. DENNIS
6 STEINDLER.

7 DR. STEINDLER: HERE.

8 DR. CHIU: DR. CATHERINE VERFAILLE. DR.
9 JANET WRIGHT.

10 DR. WRIGHT: HERE.

11 DR. CHIU: DR. WISE YOUNG.

12 DR. YOUNG: HERE.

13 DR. CHIU: THANK YOU.

14 CHAIRMAN ORKIN: I THINK WE HAVE THE
15 PRESIDENT'S REPORT NEXT.

16 DR. HALL: THANK YOU, STU. FIRST, I'D JUST
17 LIKE TO SAY WELCOME TO EVERYONE. WE APPRECIATE YOUR
18 BEING HERE VERY, VERY MUCH. THIS IS A BIG DAY FOR
19 CIRM. WE ARE REVIEWING OUR FIRST RESEARCH GRANTS SO
20 THAT WE CAN AWARD \$23 MILLION IN SEED GRANTS TO BRING
21 NEW IDEAS AND INVESTIGATORS INTO THE FIELD. AND THIS
22 IDEA IS SO POPULAR WITH CALIFORNIA INVESTIGATORS THAT
23 WE RECEIVED A STAGGERING 232 APPLICATIONS FOR THESE
24 GRANTS, A CHALLENGE FOR THE REVIEWERS IN THE WORKING
25 GROUP DURING THE NEXT FEW DAYS. SO WE VERY MUCH

1 APPRECIATE YOUR COMING ON RATHER SHORT NOTICE AND
2 HELPING US OUT WITH THIS LARGE AND IMPORTANT TASK. WE
3 KNOW HOW BUSY YOU ARE AND APPRECIATE YOUR HELP AND
4 GOODWILL IN GETTING THE PROJECT OFF THE GROUND.

5 LET ME JUST SAY THAT BECAUSE OF THE LARGE
6 VOLUME OF WORK WE HAVE TODAY, WE ABSOLUTELY WANT TO BE
7 OUT OF THIS ROOM BY 10 A.M., IF POSSIBLE, SO THAT WE
8 CAN BEGIN OUR WORK REVIEWING THE GRANTS, SO WE WILL TRY
9 TO MOVE AS QUICKLY AS POSSIBLE THROUGH THIS.

10 LET ME JUST BRIEFLY GIVE YOU AN UPDATE ON
11 SOME OF THE THINGS THAT HAVE HAPPENED SINCE WE LAST
12 MET. AND LET ME BEGIN WITH THE TRAINING GRANTS, WHICH,
13 AS YOU RECALL, WE MET LAST SUMMER AND REVIEWED, WHICH
14 WERE APPROVED FOR FUNDING IN THE SEPTEMBER 2005 BOARD
15 MEETING, BUT WHICH WERE ONLY AWARDED IN APRIL AFTER BOB
16 KLEIN AND HIS TEAM HAD RAISED \$14 MILLION IN BOND
17 ANTICIPATION NOTES THAT WOULD ALLOW US TO FUND THESE
18 GRANTS. THOSE WERE AWARDED IN APRIL. THE AWARD WAS
19 \$38 MILLION FOR THREE YEARS TO 16 CALIFORNIA
20 INSTITUTIONS. WE HAVE ABOUT 170 CIRM SCHOLARS PER YEAR
21 BEING TRAINED BY THAT, AND THE TRAINING PROGRAMS, AS
22 YOU WILL REMEMBER, REPRESENT A WIDE VARIETY OF OPTIONS.

23 WE HAVE PROGRAMS THAT ARE VERY STRONG IN
24 COMPUTING, THOSE THAT ARE VERY STRONG IN CHEMISTRY,
25 THOSE THAT ARE VERY BROAD WITH EVERYTHING RANGING FROM

1 BASIC TO CLINICAL, SOME WITH STRONG ENGINEERING
2 COMPONENTS, AND SOME WITH STRONG COMPONENTS IN THE
3 LEGAL AND ETHICAL SIDE OF THINGS. SO WE THINK THERE'S
4 A TREMENDOUS VARIETY IN THOSE. AND I WOULD REFER ANY
5 OF YOU WHO HAVE QUESTIONS TO ASK DR. GIL SAMBRANO, WHO
6 IS THE PROGRAM OFFICER IN CHARGE OF THE TRAINING
7 GRANTS.

8 WE'VE HAVE ONE MEETING OF THE TRAINING GRANTS
9 PI'S, AND IT WAS, I MIGHT SAY, INSPIRING TO HEAR. ALL
10 THAT IS UP AND GOING AND EVIDENCE OF YOUR HARD WORK NOW
11 PUT INTO EFFECT.

12 AS I ASSUME ALL OF YOU KNOW, WE GOT AN
13 UNEXPECTED INFUSION OF FUNDS IN JULY THANKS TO OUR
14 PRESIDENT. IN JULY THE CONGRESS PASSED A BILL TO
15 EXPAND THE CASTLE-DEGETTE BILL TO EXPAND THE FEDERAL
16 FUNDING. THE NEXT DAY PRESIDENT BUSH VETOED THAT BILL,
17 AND THE VERY NEXT DAY GOVERNOR ARNOLD SCHWARZENEGGER
18 ANNOUNCED THAT HE WAS LOANING US \$150 MILLION FROM THE
19 GENERAL FUND UNTIL THE TIME THAT WE WERE ABLE TO ACCESS
20 THE BOND MONEY. SO AS WE SAID, ALTHOUGH WE HAD NOT
21 WANTED A PRESIDENTIAL VETO, THE NET EFFECT WAS THAT
22 WITH ONE STROKE OF THE PEN THE PRESIDENT ENERGIZED AND
23 BROUGHT TO LIFE STEM CELL RESEARCH IN CALIFORNIA. SO
24 WE HAVE BEEN WORKING VERY HARD TO GET THE MONEY OUT,
25 AND WE HAVE A THREE-STAGE PROGRAM, WHICH WILL, AS WE

1 SAY, JUMP-START HUMAN EMBRYONIC STEM CELL RESEARCH IN
2 CALIFORNIA.

3 WE HAVE ISSUED TWO RFA'S AND PLANNED A THIRD
4 ONE ALL FOCUSED ON HUMAN EMBRYONIC STEM CELL RESEARCH.
5 WE WILL FUND MORE BROADLY IN LATER YEARS, BUT WE FELT
6 THIS WAS THE AREA OF IMMEDIATE NEED. THIS WAS VERY
7 MUCH IN THE SPIRIT OF THE GOVERNOR'S LOAN TO US, AND SO
8 OUR FIRST AWARDS ARE RESTRICTED TO HUMAN EMBRYONIC STEM
9 CELL RESEARCH.

10 WE HAVE AN RFA FOR THE SEED GRANTS WHICH WE
11 ARE DEALING WITH TODAY. WE HAVE BEEN APPROVED FOR UP
12 TO 30 OF THOSE. I THINK THE FIGURE IS \$23 MILLION --
13 \$24 MILLION IN FUNDING FOR THAT. WE HAVE ALSO ISSUED
14 AN RFA FOR COMPREHENSIVE GRANTS, AND THIS IS FOR
15 ESTABLISHED PEOPLE WORKING ON HUMAN EMBRYONIC STEM
16 CELLS. WE HAVE BEEN APPROVED FOR UP TO 25 OF THOSE,
17 AND WE HAVE NOW RECEIVED 70 APPLICATIONS, AND WE ARE IN
18 THE PROCESS, WHEN WE'RE NOT BUSY WITH THIS REVIEW, OF
19 TRYING TO ORGANIZE THAT REVIEW BY GIVING REVIEWER
20 ASSIGNMENTS AND LOOKING AT CONFLICT OF INTEREST. SO
21 THAT IS VERY MUCH IN PROGRESS.

22 THERE IS A NEED IN THE STATE FOR WORK FOR
23 SPACE IN WHICH CELLS CAN BE CULTURED THAT ARE OUTSIDE
24 THE FEDERAL GUIDELINES. A NUMBER OF INSTITUTIONS HAVE
25 EXPRESSED THAT TO US, AND WE HAVE IN PREPARATION AN RFA

1 FOR SHARED RESEARCH LABORATORIES FOR CULTURING THESE
2 CELLS. WE WILL MAKE UP TO 15 AWARDS, AND FIVE OF THOSE
3 WILL RECEIVE EXTRA MONEY FOR PROVIDING TRAINING COURSES
4 SEVERAL TIMES A YEAR IN HOW TO CULTURE HUMAN EMBRYONIC
5 STEM CELLS. THIS HAS BEEN A LITTLE BIT OF A CHALLENGE
6 FOR US IN THAT WE HAVE NOT BEFORE DONE FACILITIES
7 GRANTS, SO IT'S TAKEN US A LITTLE BIT LONGER THAN WE
8 HAD EXPECTED, BUT WE HOPE TO GET THAT OUT WITHIN THE
9 NEXT MONTH OR PERHAPS SLIGHTLY LONGER.

10 AT ANY RATE, OUR PLAN, LET ME SAY FOR THAT --
11 LET ME SEE THE NEXT SLIDE, IF YOU COULD, PAT. I
12 MENTION THIS IN A LITTLE BIT OF DETAIL BECAUSE THIS
13 WILL BE THE NEXT REVIEW FOR THIS COMMITTEE AFTER THE
14 COMPREHENSIVE GRANTS. THIS WILL BE FOR DEDICATED
15 LABORATORIES FOR CULTURE OF HUMAN EMBRYONIC STEM CELLS.
16 WE'LL OFFER SUPPORT FOR RENOVATION, CORE EQUIPMENT, AND
17 TRAINED PERSONNEL TO RUN THE CORE. AS I SAID, 15
18 INSTITUTIONS. AND BECAUSE IT WILL INVOLVE BOTH
19 SCIENTIFIC CONSIDERATIONS; THAT IS, IS THERE A NEED FOR
20 THIS AT THE PARTICULAR INSTITUTION AND IS THE SCOPE OF
21 WHAT'S PLANNED EQUIVALENT TO THE QUALITY AND SCOPE OF
22 WORK THAT THEY ARE CAPABLE OF USING THE LABORATORY,
23 THAT IS, WE NEED A SCIENTIFIC REVIEW AND AT THE SAME
24 TIME WE NEED A FACILITIES REVIEW. AND WE WILL
25 STRUCTURE THE RFA SO THAT THERE ARE TWO PARTS TO THE

1 APPLICATION. ONE PART WHICH WILL GO TO THIS WORKING
2 GROUP AND ANOTHER PART WHICH WILL GO TO THE FACILITIES
3 WORKING GROUP. AND THEN THOSE TWO EVALUATIONS WILL GO
4 TO THE BOARD, WHO WILL MAKE THE FINAL DECISIONS FOR
5 FUNDING.

6 AND OUR CURRENT SCHEDULE IS THAT BOTH OF
7 THOSE REVIEWS WILL PROBABLY TAKE PLACE IN APRIL OR MAY,
8 AND WE WILL SET A DATE FOR THAT AS SOON AS WE CAN. IN
9 FACT, YOU SHOULD BE HEARING SHORTLY ABOUT POSSIBLE
10 DATES. AND OUR HOPE IS THEN THAT WE CONSIDER THAT AT
11 THE JUNE ICOC MEETING FOR GRANTS APPROVAL.

12 SO LET ME JUST MENTION QUICKLY TWO OTHER
13 THINGS. ONE IS THE GRANTS ADMINISTRATION POLICY WHICH
14 YOU SAW AT A PREVIOUS MEETING. THIS HAS NOW -- THIS IS
15 BASICALLY OUR CONTRACT WITH THE INSTITUTIONS THAT
16 RECEIVE MONEY FROM US; THAT IS, THEY HAVE TO SIGN AND
17 SAY THAT THEY ACCEPT OUR POLICIES AS CONDITIONS OF
18 RECEIVING MONEY FROM US. THIS POLICY HAS BEEN APPROVED
19 BY OUR BOARD, THE INDEPENDENT CITIZEN'S OVERSIGHT
20 COMMITTEE. WE THEN SUBMITTED IT TO THE OFFICE OF
21 ADMINISTRATIVE LAW BECAUSE IT NEEDS TO BECOME A STATE
22 REGULATION, SO IT HAS TO FOLLOW THE PROCESS UNDER THE
23 ADMINISTRATIVE PROCEDURES ACT FOR STATE REGULATIONS.

24 THERE'S A REQUIRED 45-DAY PUBLIC COMMENT.
25 THAT HAS BEEN COMPLETED. WE'RE REQUIRED TO MAKE

1 WRITTEN COMMENTS BACK FOR EACH OF THOSE, AND THAT NOW
2 HAS BEEN FINALLY APPROVED AND WILL GO TO THE CALIFORNIA
3 OFFICE OF ADMINISTRATIVE LAW, I THINK, THIS MONTH; IS
4 THAT RIGHT, GIL?

5 DR. SAMBRANO: IN DECEMBER, YES.

6 DR. HALL: IN DECEMBER FOR A 30-DAY REVIEW IN
7 WHICH THEY GO OVER WITH A FINE-TOOTHED COMB, AND THEN
8 WE MAKE WHATEVER WORDING CHANGES ARE REQUIRED, HOPE
9 THEY'RE NOT TOO BIG, AND AS LONG AS THEY ARE NOT, THEN
10 IT WILL BECOME STATE REGULATIONS SOMETIME EARLY NEXT
11 YEAR. SO THAT IS ALL COMPLETE AND IS AN IMPORTANT
12 PIECE IN THE PUZZLE.

13 AND THEN I THOUGHT, FINALLY, I'D SAY ONE MORE
14 THING, AND THAT IS WE HAVE BEEN INVOLVED IN THE PROCESS
15 OF DEVELOPING A SCIENTIFIC STRATEGIC PLAN THAT WOULD
16 EXTEND OVER A PERIOD OF TEN YEARS. WE BEGAN THIS
17 REALLY ABOUT A LITTLE OVER A YEAR AGO WITH A SCIENTIFIC
18 MEETING IN WHICH WE INVITED PEOPLE TO COME IN AND TALK
19 TO US ABOUT WHAT THEY THOUGHT WE SHOULD DO AND WHAT OUR
20 PRIORITIES SHOULD BE, WHAT WERE THE OPPORTUNITIES, WHAT
21 WERE THE CHALLENGES. AND THEN WE HAVE OVER THE LAST
22 SIX MONTHS, UNDER THE LEADERSHIP OF DR. PATRICIA
23 OLSON -- PATRICIA, RAISE YOUR HAND. THANK YOU -- AND
24 WITH THE HELP OF A TEAM FROM PRICE WATERHOUSE COOPERS,
25 WE HAVE TRIED TO DEVELOP A MORE COMPREHENSIVE PLAN.

1 WE SUBMITTED A DRAFT OF THAT PLAN TO THE ICOC
2 IN OCTOBER AND MADE SOME SUGGESTIONS, AND WE ARE JUST
3 FINISHING UP LITERALLY YESTERDAY AND TODAY THE FINAL
4 DRAFT OF THE PLAN, WHICH WILL GO, WE HOPE, FOR FINAL
5 APPROVAL IN DECEMBER. IT'S AVAILABLE ON OUR WEBSITE.
6 IF ANYBODY WANTS TO LOOK AT IT, WE HAVE A FEW, FOUR OR
7 FIVE COPIES, WHICH I'LL LEAVE AROUND IN THE ROOM NEXT
8 DOOR FOR PEOPLE TO LOOK AT, SO YOU CAN, IF YOU WANT TO,
9 BROWSE THROUGH IT. AT ANY RATE, IT IS OUR PLAN FOR
10 WHAT WE WILL DO OVER THE NEXT TEN YEARS.

11 IT WAS DEVELOPED THROUGH A SERIES OF PUBLIC
12 MEETINGS, AND SOME OF YOU ACTUALLY SPOKE AT SOME OF
13 THOSE MEETINGS. WE HAD SEVERAL OF THOSE. WE HAD FOUR
14 OR FIVE SPEAKERS ON PARTICULAR TOPICS. WE HAD FOCUS
15 GROUPS. WE ALSO HAD EXTENSIVE PUBLIC COMMENT. SO IT
16 WAS DEVELOPED VERY MUCH THROUGH PUBLIC PROCESS.

17 AND I WANT TO SAY A BIT ABOUT THE WAY WE
18 DECIDED TO DO THIS, AND THAT IS, CIRM VERY MUCH
19 REPRESENTS A PARTNERSHIP OF PATIENT ADVOCATES AND
20 SCIENTISTS. AND WE SOMETIMES FIND THAT OUR VISION OF
21 THINGS IS NOT QUITE THE SAME, AND IT IS A VERY
22 PRODUCTIVE TENSION BETWEEN THESE TWO VISIONS. IN ORDER
23 TO SATISFY BOTH HALVES OF THIS, THAT IS, OUR HIGHEST
24 HOPES FOR WHAT WE MIGHT DO, AND ON THE OTHER HAND, A
25 REALISTIC APPRAISAL OF WHAT WE THINK WE CAN DO, WE

1 DEFINED TWO KINDS OF GOALS, ASPIRATIONAL GOALS AND OUR
2 COMMITMENT GOALS.

3 OUR ASPIRATIONAL GOALS ARE OUR FONDEST
4 DREAMS. IT'S WHAT WE WOULD LIKE TO DO WITH HUMAN
5 EMBRYONIC STEM CELL RESEARCH. ON THE OTHER HAND, WE
6 MADE A VERY CAREFUL ASSESSMENT OF WHAT WE THOUGHT WE
7 COULD DO IN TEN YEARS WITH A SET OF MILESTONES THAT WE
8 THINK WE ARE WILLING TO BE HELD ACCOUNTABLE FOR. THAT
9 IS, WE ARE WILLING TO BE JUDGED BY WHETHER OR NOT WE
10 CAN ACHIEVE THESE AIMS.

11 SO WE HAVE A SERIES OF TEN TEN-YEAR
12 COMMITMENT GOALS WITH ANOTHER TEN FIVE-YEAR MILESTONES,
13 AND THOSE ARE IN THE PLAN. WE WOULD WELCOME YOUR
14 LOOKING AT THEM AND YOUR COMMENTS. WE END UP WITH 25
15 INITIATIVES FOR RESEARCH, TRAINING, AND FACILITIES.
16 AND IF YOU CARRY OUT A ROUGH ANALYSIS, A CRUDE
17 ESTIMATE, IT IS ROUGHLY EQUAL DOLLARS FOR FUNDAMENTAL,
18 PRECLINICAL, AND CLINICAL RESEARCH. THE HIGHEST OF
19 THOSE ACTUALLY IS PRECLINICAL DEVELOPMENT, WHICH IS A
20 VERY EXPENSIVE PROCESS AND WE SEE IS GOING TO BE KEY,
21 ONE THAT'S OFTEN LACKING IN ADEQUATE CAPITAL. THEN WE
22 HAVE FUNDAMENTAL. THERE'S SO MUCH THAT WE DON'T KNOW,
23 THAT WE HAVE SLIGHTLY LESS DOLLARS FOR THAT. AND THEN
24 CLINICAL RESEARCH IS, OF THE THREE, SLIGHTLY BELOW THE
25 OTHER TWO, AND THE REASONS FOR THAT IS WE THINK WE'LL

1 GET TO THAT LATER. THAT WILL BE A LATER DEVELOPMENT.
2 AND ALSO WE HAVE BUILT INTO THE PLAN THAT WE WILL SEEK
3 PARTNERS WHO WILL PROVIDE -- WHO WILL SHARE EXPENSES
4 WITH US FOR SOME OF THOSE PLANS.

5 SO EVEN WITH THOSE PARAMETERS, WE END UP, I
6 THINK, IT'S 800, 900, AND 600, SOMETHING LIKE THAT FOR
7 THE THREE AREAS. SO THAT'S WHERE WE ARE. SO THAT'S, I
8 THINK, JUST A BACKGROUND. IF YOU HAVE QUESTIONS ABOUT
9 WHERE WE ARE OR WHAT OUR PLANS ARE OR WHAT WE'RE DOING
10 IN A GENERAL SENSE, I OR ARLENE WOULD BE HAPPY TO
11 ANSWER THEM.

12 I JUST WANTED TO BRING YOU UP TO DATE ON OUR
13 PROPOSED PLANS. I SHOULD SAY THE OTHER PART OF IT IS
14 IS THAT THIS IS A VERY AMBITIOUS PLAN. WE WILL BE
15 HAVING -- WE WILL BE HANDLING MANY GRANT APPLICATIONS,
16 SO WE ARE GEARING UP OUR INFRASTRUCTURE BOTH IN TERMS
17 OF OUR PERSONNEL, AND WE HAVE SEVERAL NEW PERSONNEL
18 ALREADY ON BOARD, AND ALSO IN TERMS OF OUR INFORMATION
19 TECHNOLOGY SYSTEMS, ALL OF WHICH WILL NEED TO BE IN
20 PLACE IN ORDER TO LET US TACKLE THIS BIG TASK OF
21 IMPLEMENTING THE PLAN.

22 CHAIRMAN ORKIN: GOOD. THANK YOU. THE MAIN
23 TASK FOR THE COMMITTEE IN THE NEXT THREE DAYS IS
24 ACTUALLY REVIEWING THE GRANT APPLICATIONS. AND WE HAVE
25 A SHEET THAT DESCRIBES THE PROPOSED PROCEDURES FOR

1 CONDUCTING THE REVIEW. AND I GUESS I'D LIKE TO ASK IF
2 THERE'S ANY PUBLIC COMMENT ON THIS OR ANY DISCUSSION
3 REGARDING THIS.

4 MR. SIMPSON: JOHN SIMPSON FROM THE
5 FOUNDATION FOR TAXPAYER AND CONSUMER RIGHTS. I THINK
6 THIS IS PROBABLY THE APPROPRIATE TIME SINCE THE
7 PROCEEDING. I WANTED TO ACKNOWLEDGE THAT THIS IS A
8 TREMENDOUSLY IMPORTANT DAY IN CALIFORNIA FOR PEOPLE
9 INTERESTED IN STEM CELL RESEARCH. AND WE ARE DELIGHTED
10 THAT IT HAS GONE THIS FAR, AND WE ADVOCATE IT VERY MUCH
11 AND BELIEVE THAT EVERYTHING SHOULD BE DONE TO ENHANCE
12 THE PUBLIC'S UNDERSTANDING OF IT AND TRUST AND FAITH IN
13 A PROCESS, AN OPEN TRANSPARENT PROCESS. AND THAT IS
14 WHAT I'M SPEAKING TO TODAY. I'M A BIT CONCERNED ABOUT
15 THIS LACK OF TRANSPARENCY.

16 I THINK THAT THINGS ARE, DESPITE WORDS
17 REPEATEDLY SAID HERE OF PUBLIC COMMITMENT TO
18 TRANSPARENCY, TOO MUCH OF THE PROCEDURE IS SHROUDED IN
19 SECRECY. I WOULD DRAW EVERYONE'S ATTENTION TO THE WAY
20 THIS IS HANDLED IN CONNECTICUT WHERE LAST WEEK THEY
21 HANDED OUT \$20 MILLION TO 21 PEOPLE. I THINK THERE WAS
22 AN APPLICATION POOL OF 70 PEOPLE. FROM THE GET-GO
23 EVERYONE KNEW EVERYONE WHO HAD APPLIED, THEIR
24 AFFILIATIONS. AND THE APPLICATIONS, IN FACT, WERE A
25 MATTER OF PUBLIC RECORD, ALTHOUGH PROVISIONS WERE MADE

1 TO REDACT PROPRIETARY INFORMATION. THE FINAL AWARDS,
2 AFTER PEER REVIEW HAD BEEN COMMITTED, I GUESS, IN A
3 CLOSED SESSION, THE FINAL PUBLIC AWARDING SESSION,
4 EVERYONE'S NAMES WERE PUBLISHED WITH THE INSTITUTIONS,
5 WITH THE SCIENTIFIC SCORE, WITH THE PEER REVIEW
6 COMMENTS, AND AN ABSTRACT OF THE PROPOSED PROJECT.

7 IT SEEMED TO HAVE WORKED FINE, AND I WILL
8 SUBMIT THAT IT HAS THE ENHANCED VALUE OF ASSURING THE
9 PUBLIC THAT THEIR TAX DOLLARS ARE BEING SPENT IN A WAY
10 THAT IS APPROPRIATE AND THAT THERE IS NO -- THIS IS NOT
11 MEANT TO DENIGRATE ANYONE ON THIS PANEL -- BUT THERE IS
12 NO POSSIBILITY OF ANY KIND OF OLD BOY OR OLD GIRL
13 NETWORK. THE ONLY WAY TO KNOW HOW THE MONEY IS GOING
14 IS TO KNOW WHO DIDN'T GET IT. THAT'S AN IMPORTANT
15 THING OVER TIME. AND THERE ARE NO PROCEDURES FOR THAT
16 IN THIS POLICY.

17 SO I WOULD COMMEND THE CONNECTICUT METHOD. I
18 WOULD SAY THAT WE DO A WONDERFUL JOB OF TALKING THE
19 TALK IN CALIFORNIA WHEN IT COMES TO TRANSPARENCY, AND
20 WE'D LIKE TO SAY THAT WE'RE THE LEADERS IN STEM CELL
21 RESEARCH, BUT SADLY WE'RE NOT WALKING THE WALK. AND I
22 THINK ALL OF US IN CALIFORNIA SHOULD BE ASHAMED OF
23 THAT. THANK YOU.

24 CHAIRMAN ORKIN: THANK YOU. I THINK WE'LL
25 TAKE THAT INTO CONSIDERATION. I THINK THE COMMITTEE

1 MEMBERS, I'M SURE, UNDERSTAND THESE ISSUES, AND WE'LL
2 BE AS DILIGENT AS WE CAN.

3 DR. HALL: LET ME CALL YOUR ATTENTION, THEN,
4 TO THE PROPOSED PROCEDURES FOR CONDUCTING THE REVIEW OF
5 GRANT APPLICATIONS. I'M SORRY JOAN SAMUELSON, OUR VICE
6 CHAIR, IS NOT HERE, BUT I THINK WE SHOULD GO AHEAD WITH
7 THIS. LET ME REMIND YOU THAT IN AUGUST OF 2005, THE
8 ICOC APPROVED A SET OF PROCEDURES FOR REVIEW THAT ARE
9 CONSISTENT WITH PROPOSITION 71 AS STATED IN THE BYLAWS
10 FOR THE COMMITTEE. AND THESE ARE THE PROCEDURES THAT
11 WE USED IN EVALUATING AND RECOMMENDING THE TRAINING
12 GRANT APPLICATIONS.

13 AS YOU RECALL, OUR REVIEW HAS TWO PARTS
14 SPECIFIED BY PROPOSITION 71. IN THE FIRST, EACH
15 APPLICATION IS DISCUSSED IN CONFIDENTIAL SESSION AND IS
16 GIVEN A SCIENTIFIC EVALUATION SCORE FROM ONE TO A 100
17 BY A VOTE, A SECRET BALLOT VOTE, OF THE 15 SCIENTIFIC
18 MEMBERS OF THE GRANTS REVIEW WORKING GROUP. THESE
19 NUMBERS ARE THEN AVERAGED TO GIVE A SCORE FOR ANY
20 PARTICULAR GRANT. I SHOULD SAY THAT ANYONE WHO HAS A
21 CONFLICT OF INTEREST WITH RESPECT TO EACH OF THE GRANTS
22 THAT IS CONSIDERED MUST LEAVE THE ROOM FOR THE
23 DISCUSSION AND VOTE ON THAT GRANT. THEN THESE AVERAGE
24 SCORES FOR EACH GRANT, WHEN THAT PROCESS IS COMPLETED,
25 ARE THEN USED AS THE STARTING POINT FOR THE SECOND PART

1 OF THE REVIEW.

2 AND THE PURPOSE OF THIS PART OF THE REVIEW IS
3 TO ASSIGN THE GRANTS TO ONE OF THREE GROUPS: GROUP 1,
4 RECOMMENDED FOR FUNDING; GROUP 2, RECOMMEND FOR FUNDING
5 IF FUNDS ARE AVAILABLE; AND GROUP 3, NOT RECOMMENDED
6 FOR FUNDING AT THIS TIME.

7 NOW, AT OUR LAST MEETING WE ARRIVED AT THE
8 FINAL RECOMMENDATIONS. THAT IS, IN EVALUATING THE
9 TRAINING GRANTS, WE ARRIVED AT THE ASSIGNMENT TO THESE
10 THREE GROUPS FOR THE TRAINING GRANT APPLICATIONS BY A
11 CONSENSUS VOTE. AND IT HAS BEEN BROUGHT TO OUR
12 ATTENTION THAT WE COULD IMPROVE OUR PROCEDURES FOR THIS
13 SECOND PART TO ACCOMPLISH TWO AIMS. NO. 1, TO HAVE A
14 RECORDED VOTE FOR EACH MEMBER FOR EACH OF THE GRANTS
15 AND, NO. 2, TO ADDRESS ISSUES OF CONFLICT OF INTEREST
16 IN A MORE COMPREHENSIVE WAY IN PART 2.

17 AND SO WHAT WE HAVE PROPOSED IS OUTLINED IN
18 THE HANDOUT, AND WE SUGGEST THAT WE DO THIS IN THE
19 FOLLOWING WAY. AFTER ALL OF THE GRANTS HAVE BEEN
20 SCORED, WE WILL THEN PRESENT TO THE WORKING GROUP AN
21 OVERALL DISTRIBUTION OF THE SCORES WITHOUT
22 IDENTIFICATION OF INDIVIDUAL GRANTS. THAT IS, JUST
23 IMAGINE A GRAPH IN WHICH THE X AXIS IS THE SCORE ZERO
24 TO A HUNDRED AND THE Y AXIS IS THE NUMBER OF
25 APPLICATIONS. WE CAN THEN, KNOWING THE AMOUNT OF MONEY

1 THAT WE ARE APPROVED TO AWARD, WE CAN WALK DOWN FROM
2 THE TOP OF THAT, FROM THE TOP OF THAT LINE, WE CAN WALK
3 DOWN UNTIL THAT MONEY GIVES OUT, AND WE CAN SAY, OKAY,
4 IF WE WERE TO AWARD ON THE BASIS OF SCIENTIFIC MERIT
5 ALONE, WITHOUT ANY OTHER CONSIDERATION, THESE WOULD BE
6 THE GROUP 1 APPLICATIONS.

7 WE THEN PROPOSE THAT THE GROUP LOOK AS A
8 WHOLE FOR A NATURAL DIVIDE THAT WOULD DEFINE THE
9 BOUNDARY BETWEEN GROUPS 2 AND 3. AND ONE COULD DO THAT
10 BY A LOW POINT IN THE DISTRIBUTION SO THAT THERE'S A
11 NICE SEPARATION OR, ALTERNATIVELY, ONE COULD SAY WE
12 DON'T BELIEVE THAT WE SHOULD FUND ANY GRANT THAT HAS A
13 SCORE LESS THAN X. BUT I THINK THE POINT TO AVOID IS
14 TO HAVE THAT LINE BE DRAWN AT A POSITION WHERE A NUMBER
15 OF GRANTS DIFFER ONLY BY A FEW POINTS BECAUSE I THINK
16 WE ALL RECOGNIZE THAT THERE'S SOME ERROR IN THESE
17 SCIENTIFIC EVALUATION NUMBERS.

18 SO THEN THESE, THEN, GIVE US A PROVISIONAL
19 DIVISION INTO GROUP 1, 2, AND 3. WE WOULD THEN PASS
20 OUT TO YOU A LIST OF ALL OF THE GRANTS WITH FULL
21 IDENTIFICATION AND THE SCIENTIFIC SCORES ALL IN ORDER,
22 THE RANK ORDER. SO NOW YOU CAN SEE WHO'S IN GROUP 1,
23 WHO'S IN GROUP 2, AND WHO'S IN GROUP 3. AND THIS GIVES
24 US, THEN, AN OPPORTUNITY TO DO WHAT THE BYLAWS CALL FOR
25 US TO DO; AND THAT IS, TO LOOK AT THOSE THAT ARE BEING

1 FUNDED AS A PORTFOLIO AND AS AN ENTIRE WORKING GROUP,
2 ALL 23 MEMBERS OF IT, AND TO SAY DOES THIS MEET THE
3 NEEDS OF -- MEET THE AIMS OF THE RFA? DOES IT MEET THE
4 OVERALL GOALS OF THE INSTITUTE? ARE THERE ANY CHANGES
5 THAT WE WISH TO MAKE IN THIS ORDER? THAT IS, ARE THERE
6 GRANTS THAT WE WOULD LIKE TO MOVE, LET'S SAY, FROM
7 GROUP 2, A PARTICULAR GRANT, UP INTO GROUP 1, HOWEVER
8 THAT'S DONE. AND IF THERE IS A PROPOSAL FOR SUCH A
9 GRANT, THEN WE WOULD HAVE A SPECIFIC VOTE ON THAT. AND
10 ANYONE WITH A CONFLICT OF INTEREST FOR THAT GRANT OR
11 ANY OTHER GRANT AFFECTED BY THE CHANGE WOULD THEN LEAVE
12 THE ROOM AND BE ABSENT FOR THE DISCUSSION. WE WOULD
13 THEN VOTE. IF THE VOTE IS TO REARRANGE, WE WOULD MOVE
14 THE GRANT UP IN THIS PARTICULAR HYPOTHETICAL CASE. IF
15 THE VOTE IS NOT TO CHANGE IT, WE WOULD LEAVE IT AS IS.
16 WE WOULD GO THROUGH THAT IN AN ITERATIVE PROCESS UNTIL
17 THERE WERE NO FURTHER DESIRED CHANGES TO BE CONSIDERED.

18 AND THEN WE WOULD ASK EACH MEMBER TO APPROVE
19 BASICALLY THAT ASSIGNMENT IN A MODIFIED, UNBLOCKED
20 SCHEME WITH EXCEPTIONS FOR TWO THINGS: NO. 1,
21 EXCEPTING ALL GRANTS FOR WHICH YOU HAVE A CONFLICT OF
22 INTEREST, AND WE WILL TELL YOU, REMIND YOU WHICH ONES
23 THOSE ARE. IN FACT, YOU'LL BE ASKED TO SIGN A
24 STATEMENT. AND THEN THE OTHER IS IF YOU HAPPEN TO
25 DISAGREE WITH THE MAJORITY VOTE ON ONE OF THESE, YOU

1 ARE THEN FREE TO REGISTER A MINORITY VOTE ON THE FORM
2 TO DO THAT. SO THIS, THEN, GIVES US A VOTE FOR EACH
3 PERSON ON EACH GRANT WITH EXCEPTIONS FOR CONFLICT OF
4 INTEREST AND WITH EXCEPTIONS FOR WHERE YOU MAY
5 DISAGREE, AND IT AVOIDS US HAVING TO DO A ROLL CALL
6 VOTE FOR 232 GRANTS, WHICH IS WHAT WE DO NOT WANT TO
7 DO.

8 SO THAT IS THE PROCEDURE THAT WE HAVE
9 PROPOSED, THE MECHANICS REALLY FOR HOW WE GET FROM THE
10 END OF STAGE 1 WHERE WE HAVE ASSIGNED SCIENTIFIC SCORES
11 TO THE ASSIGNMENT OF EACH OF THE THREE GROUPS. SO WE
12 WOULD BE INTERESTED IN ANY COMMENT ON THIS PROCEDURE OR
13 ANY DISCUSSION ABOUT IT.

14 CHAIRMAN ORKIN: ANYBODY FROM THE COMMITTEE
15 WANT TO MAKE COMMENT?

16 DR. YOUNG: I'M WISE YOUNG, AND I'D LIKE TO
17 COMMENT A LITTLE BIT ABOUT THE TRANSPARENCY ISSUE. I
18 AGREE THAT TRANSPARENCY OF THE REVIEW PROCESS WOULD BE
19 VERY, VERY USEFUL AND HELPFUL AND PARTICULARLY IN
20 INCREASING PUBLIC TRUST AND UNDERSTANDING OF THE REVIEW
21 PROCESS. I THINK THAT THERE'S AN IMPORTANT TENSION, A
22 BALANCE, THAT MUST BE CREATED HERE; AND THAT IS, THE
23 OBJECTIVITY OF THE SCIENTIFIC REVIEW INVOLVED.

24 IT'S VERY DIFFICULT TO KEEP POLITICS OUT OF
25 FUNDING. AND ONE OF THE MOST IMPORTANT REASONS FOR

1 HAVING PEER REVIEW THAT IS ANONYMOUS IS TO KEEP THE
2 SCIENTISTS WHO REVIEW FROM BEING PRESSURED POLITICALLY
3 TO FUND CERTAIN THINGS. AND THE BALANCE OF THAT HAS
4 BEEN AN OBJECT OF GREAT STRUGGLE AT NIH FOR THE LAST
5 50, 60 YEARS.

6 I THINK THAT WHAT ZACH HALL WAS TALKING ABOUT
7 IS THIS DELICATE BALANCE OF HOW DO YOU PROVIDE THE
8 INFORMATION WITHOUT ALLOWING THE REVIEW PROCESS TO BE
9 POLITICALLY MANIPULATED IN ANY SORT OF WAY. AND I
10 THINK THAT IT'S BEEN A VERY, VERY THOUGHTFUL PROCESS
11 FOR DOING THIS. AND I HOPE THAT THIS MESSAGE WILL GET
12 OUT TO THE PUBLIC, THAT WHAT IS REQUIRED IS A
13 TRANSPARENT PROCESS WHICH IS NOT SUBJECT TO POLITICAL
14 PRESSURE. AND THERE WILL BE INTENSE POLITICAL PRESSURE
15 ON REVIEWERS BECAUSE MONEY IS INVOLVED. AND SO I HOPE
16 THAT THIS MESSAGE WILL GET THROUGH TO THE PUBLIC.
17 THANKS.

18 CHAIRMAN ORKIN: THANK YOU. ANY ADDITIONAL
19 COMMENTS?

20 MR. SIMPSON: JOHN SIMPSON, FOUNDATION FOR
21 TAXPAYER AND CONSUMER RIGHTS AGAIN. QUESTION ABOUT THE
22 PROCEDURE. WHEN IT GOES THROUGH THE WHOLE PROCESS AND
23 THERE ARE FINALLY GRANTS AWARDED, SO WE WOULD KNOW THE
24 NAMES OF THE PEOPLE, THE RECIPIENTS, WILL THERE BE A
25 MECHANISM THEN SO THAT IF SPECIFIC INDIVIDUALS FOR

1 PROFESSIONAL CONFLICT OF INTEREST OR WHATEVER CONFLICT
2 HAD TO BE RECUSED, WOULD IT SHOW ON THE RECORD THAT
3 SUCH-AND-SUCH AN INDIVIDUAL HAD BEEN RECUSED IN THAT
4 PARTICULAR DECISION, WHICH I THINK WOULD ENHANCE THE
5 PROCESS BECAUSE IT WOULD SHOW THAT INDEED PEOPLE WITH
6 CONFLICTS WERE BEING RECUSED AND THAT WOULD BUILD TRUST
7 WITH THE PUBLIC.

8 DR. HALL: YES. I'M SORRY WE DIDN'T MENTION
9 THAT EXPLICITLY, BUT WE ACTUALLY HAD DISCUSSED THIS AT
10 A PRIOR WORKING GROUP MEETING. AND OUR INTENTION THEN
11 WOULD BE, AND WE CAN -- THAT'S A SEPARATE POINT. MAYBE
12 WE CAN DO THIS FIRST AND THEN DEAL WITH IT. BACK UP A
13 MOMENT BECAUSE -- CAN WE DEAL WITH THIS PROCEDURE? IF
14 THERE IS NO DESIRE, IF PEOPLE ARE WILLING TO WORK WITH
15 THIS PROCEDURE HERE, THEN WE ACTUALLY DON'T NEED TO
16 TAKE A VOTE, I DON'T THINK, BECAUSE THIS REALLY HAS TO
17 DO WITH THE MECHANICS OF HOW WE IMPLEMENT THE BYLAWS;
18 IS THAT CORRECT, JAMES?

19 MR. HARRISON: THAT'S CORRECT.

20 DR. HALL: SO IF PEOPLE ARE ACCEPTING THIS,
21 THEN WE CAN GO AHEAD. IF NOT, THEN WE SHOULD HAVE A
22 DISCUSSION AND DO WHATEVER NEEDS TO BE DONE.

23 MR. KLEIN: I WOULD JUST SUGGEST THAT YOU
24 MIGHT WANT TO FOLLOW THAT PROCESS BECAUSE, AS
25 PRAGMATICS WILL DICTATE, THERE MAY BE SOME REFINEMENTS

1 ALONG THE WAY. SO IT MAY ALLOW YOU, THEN, TO REFINE IT
2 AND THEN COME TO THE BOARD WITH WHAT YOU FINALLY WORKED
3 OUT IN THE ACTUAL CASE STUDY OF THESE GRANTS RATHER
4 THAN HAVE A VOTE BEING LOCKED INTO A SPECIFIC PROCESS
5 RIGHT NOW, BUT THIS IS CONCEPTUALLY WHAT YOU'RE TRYING
6 TO ACCOMPLISH.

7 DR. HALL: YES. WE SEE THIS AS A MECHANICAL
8 SOLUTION BASICALLY TO THE AIMS OF THE BYLAWS AND THE
9 PROCEDURES AS EXPRESSED IN THE BYLAWS, THE AIMS OF
10 PROPOSITION 71. AND AS I SAID, THE RECENT SUGGESTIONS
11 WHICH HAVE BEEN MADE, WHICH WE THINK ARE GOOD ONES,
12 THAT WILL ALLOW US, THEN, TO BE FULLY ACCOUNTABLE IN
13 CASE OF AN AUDIT OR ANYTHING ELSE IN WHICH WE CAN
14 ACTUALLY SAY HERE WERE THE VOTES OF ALL THE PEOPLE ON
15 NOT ONLY THE SCIENTIFIC SCORES, BUT ALSO ON THE
16 RECOMMENDATIONS THAT WERE MADE. AND IT ALSO GIVES --
17 MEANS THAT CONFLICT OF INTEREST, WE THINK IS A BETTER
18 PROCEDURE, SO THAT WHEN ANY PARTICULAR GRANT IS
19 DISCUSSED, THEN PEOPLE HAVE TO LEAVE THE ROOM, WE HAVE
20 A VOTE, AND THAT ALL IS RECORDED. THAT'S THE INTENT.

21 SO IF PEOPLE ARE HAPPY WITH THIS, THEN I
22 THINK WE SHOULD JUST GO AHEAD AND THAT WOULD BE THAT.
23 OKAY.

24 THEN LET ME JUST BRIEFLY COMMENT. MR.
25 SIMPSON HAD MADE THE SUGGESTION EARLIER, WHICH

1 CERTAINLY FROM THE STAFF POINT OF VIEW SEEMS A
2 REASONABLE ONE; AND THAT IS, THAT WHEN WE PUBLICLY LIST
3 THE GRANTS, WE DO NOT GIVE THE NAME OR THE INSTITUTION
4 FOR EXACTLY THE REASONS THAT WISE YOUNG INDICATED. BUT
5 IT'S BEEN SUGGESTED THAT IT WOULD BE USEFUL FOR US TO
6 SAY WHICH MEMBERS OF THE WORKING GROUP WERE RECUSED.

7 NOW, LET ME TELL YOU WHAT WE SEE AS THE
8 ADVANTAGES AND DISADVANTAGES, AND YOU MAY HAVE OTHER
9 THOUGHTS OR IDEAS ABOUT THIS. ON THE ONE HAND, IT
10 SHOWS THAT WE HAVE AN ACTIVE PROCESS. IN ACTUAL FACT,
11 I THINK IT'S OFTEN NOT APPRECIATED BY THE PUBLIC HOW
12 CAREFULLY WE REGULATE CONFLICT OF INTEREST, HOW MUCH
13 WORK WE PUT INTO IT BEFOREHAND, THE KINDS OF STATEMENTS
14 THAT EACH OF YOU IS ASKED TO MAKE, AND THEN OUR
15 RIGOROUS ASSIGNMENT OR EXECUTION REALLY OF THE PLAN
16 DURING THE ACTUAL REVIEW.

17 WE AT THE STAFF TAKE THIS VERY SERIOUSLY. IT
18 IS OUR JOB TO MAKE SURE THAT PEOPLE WITH CONFLICT OF
19 INTEREST FOR A PARTICULAR GRANT DO NOT PARTICIPATE IN
20 DECISION MAKING ON THAT. AND WE WANT TO BE, SHOULD BE,
21 AND ARE WILLING TO BE HELD ACCOUNTABLE FOR THAT.

22 SO BY LISTING THOSE WHO HAD A CONFLICT OF
23 INTEREST, IT INDICATES THAT WE ARE ACTIVELY PURSUING
24 THIS. THERE'S THE OTHER SIDE OF THE COIN THAT SAYS,
25 OH, MY GOD, LOOK AT ALL THOSE PEOPLE WITH A CONFLICT OF

1 INTEREST, WHICH, I THINK, IS JUST THE REALITY FOR THOSE
2 OF US WHO ARE IN THE BUSINESS. WE KNOW THAT THIS
3 HAPPENS, AND THE POINT IS WE JUST SIMPLY HAVE
4 PROCEDURES THAT ALLOW IT TO HAPPEN.

5 THE OTHER THEORETICAL DISADVANTAGE IS THAT IT
6 WOULD BE POSSIBLE, THEN, FOR A CLEVER PERSON TO PERHAPS
7 DEDUCE WHAT INSTITUTION THE GRANT MIGHT HAVE COME FROM,
8 DEPENDING ON WHO WAS ASKED TO LEAVE THE ROOM. OUR
9 EXPERIENCE ACTUALLY WITH THE TRAINING GRANTS WAS THAT
10 THAT'S ALSO TRUE FOR BOARD MEMBERS WHO ARE REQUIRED TO
11 RECUSE THEMSELVES FROM DISCUSSION AND VOTE ON
12 PARTICULAR GRANTS FOR WHICH THEY HAVE A CONFLICT OF
13 INTEREST. AND WITH THE TRAINING GRANTS, IT WAS
14 THEORETICALLY POSSIBLE TO TELL FROM THE ROLL CALL VOTE,
15 IF YOU WERE VERY CLEVER AND SPENT SOME TIME AT IT, YOU
16 COULD MAKE DEDUCTIONS ABOUT SCHOOLS, WHICH SCHOOLS. IN
17 ACTUAL FACT, IT HAPPENED SO QUICKLY AND PEOPLE HAVE
18 CONFLICT OF INTERESTS THAT YOU DON'T EXPECT, THAT IT
19 WAS ACTUALLY IN PRACTICE VERY HARD TO DO, AND YOU
20 REALLY HAD TO CARE ABOUT IT A LOT AND SAY YOU WERE
21 GOING TO DEDICATE YOURSELF TO TRYING TO SOLVE THIS
22 PUZZLE IN ORDER TO MAKE IT HAPPEN.

23 AS A PRACTICAL MATTER, YES, EVERY TIME SHERRY
24 LANSING STEPS OUT OF THE ROOM, IT'S OBVIOUSLY A
25 UNIVERSITY OF CALIFORNIA GRANT. BUT I THINK IT WOULD

1 BE HARD OTHER THAN THAT TO KNOW EXACTLY WHAT IT IS. SO
2 I WOULD ASK, IF THE WORKING GROUP HAS NO OBJECTION, WE
3 WOULD CERTAINLY BE WILLING, AS A MATTER OF PROCEDURE,
4 TO LIST THOSE WORKING GROUP MEMBERS WHO HAD A CONFLICT
5 OF INTEREST AND LEFT THE ROOM WITH EACH GRANT. THIS IS
6 NOW -- LET ME REMIND YOU THAT THE INFORMATION WE GIVE
7 THE ICOC IS THE TITLE, THE BUDGET, THE ABSTRACTS, THE
8 PUBLIC ABSTRACT, AND THE CALIFORNIA BENEFIT ABSTRACT,
9 THE SCIENTIFIC SCORE, A SUMMARY OF THE CRITIQUE, AND
10 THE RECOMMENDATION, FINAL RECOMMENDATION OF THE WORKING
11 GROUP FOR GROUP 1, GROUP 2, GROUP 3. AND SO WE WOULD
12 SIMPLY ADD TO THAT INFORMATION THE NAMES OF THOSE
13 PEOPLE WHO WERE RECUSED BECAUSE OF CONFLICT OF
14 INTEREST.

15 SO IN THE INTEREST OF TRANSPARENCY, MR.
16 SIMPSON, I THINK, MY VIEW AND THE VIEW OF STAFF IS IF
17 THE WORKING GROUP AGREES TO THAT, THEN I THINK WE WOULD
18 BE HAPPY TO DO THAT. I WELCOME ANY COMMENT YOU MAY
19 HAVE ABOUT IT.

20 CHAIRMAN ORKIN: ANY OBJECTIONS FROM WORKING
21 GROUP MEMBERS? NO.

22 DR. HALL: JAMES, SHOULD WE TAKE A VOTE ON
23 THAT? WHAT'S YOUR SUGGESTION ABOUT HOW THAT SHOULD BE
24 HANDLED?

25 MR. HARRISON: NO. I THINK, LIKE THE

1 PROCEDURES THAT YOU JUST DISCUSSED, THIS IS MORE IN THE
2 FORM OF MECHANICS RATHER THAN A CHANGE TO THE
3 PROCEDURES APPROVED BY THE ICOC. SO I DON'T THINK A
4 VOTE IS NECESSARY.

5 DR. HALL: CAN WE JUST SAY THEN, RECORD FOR
6 THE RECORD THAT THE GRANTS WORKING GROUP GOES ON RECORD
7 AND CIRM STAFF GOES ON RECORD AS FAVORING THE PROCEDURE
8 THAT MR. SIMPSON SUGGESTED?

9 MR. HARRISON: YES.

10 MR. KLEIN: AND, DR. HALL, I'D ADD THAT ONE
11 NEEDS TO ALSO TAKE INTO CONSIDERATION THAT IF CERTAIN
12 MEMBERS OF THE GRANTS WORKING GROUP ARE NOT THERE
13 DURING THAT PORTION OF THE DAY, THEY WOULD NOT BE
14 RECUSED BECAUSE THEY DID NOT ATTEND. SO WE'D ALSO HAVE
15 TO ADD TO THAT WHOEVER WAS NOT IN ATTENDANCE TO REALIZE
16 THAT THERE MAY HAVE BEEN SOME OTHER PEOPLE WHO HAD
17 CONFLICTS, BUT THEY WERE NOT IN ATTENDANCE AT THAT TIME
18 JUST TO GET A FULL PICTURE.

19 DR. HALL: I THINK THAT'S A DIFFERENT MATTER.
20 MY SENSE WOULD BE CONFLICT OF INTEREST ONES.

21 MR. KLEIN: RIGHT. BUT I'M SAYING IF
22 SOMEONE -- IF SHERRY LANSING, FOR EXAMPLE, WERE NOT
23 PRESENT AND THERE WAS A UC GRANT, YOU WOULDN'T SHOW HER
24 HAVING RECUSED HERSELF BECAUSE SHE WAS NOT PRESENT AT
25 THAT PORTION OF THE DAY.

1 DR. HALL: I SEE. I WOULD WANT IT ON RECORD,
2 THOUGH, THAT WE HAVE HER LISTED AS HAVING A CONFLICT OF
3 INTEREST FOR THE GRANT. I THINK THAT'S VERY IMPORTANT.

4 MR. SIMPSON: SO YOU WOULDN'T MAKE, EVEN IF
5 SHE WEREN'T --

6 DR. HALL: I'M SUGGESTING THAT EVEN IF SHE'S
7 NOT THERE, WE'D LIST HER AS HAVING -- I STATED IT
8 INCORRECTLY. IT WOULD BE NOT THAT SHE WAS RECUSED, BUT
9 THAT HERE ARE THE PEOPLE WHO HAD A CONFLICT OF INTEREST
10 WITH RESPECT TO THIS APPLICATION.

11 MR. KLEIN: I THINK THAT COVERS THE OTHER
12 CASE. I WAS JUST POINTING OUT AS A MATTER OF LOGIC.

13 DR. HALL: YOU'RE QUITE RIGHT. THANK YOU,
14 BOB.

15 MR. SIMPSON: THANK YOU VERY MUCH INDEED. I
16 THINK THIS IS A WONDERFUL THING FOR THE PEOPLE IN
17 CALIFORNIA. THANK YOU.

18 CHAIRMAN ORKIN: THANK YOU. ANY OTHER PUBLIC
19 COMMENTS?

20 MR. SIMPSON: DOES SOMEONE ELSE -- MAYBE DON
21 REED WOULD LIKE TO SAY SOMETHING.

22 CHAIRMAN ORKIN: MR. PUBLIC.

23 MR. REED: I JUST WANTED TO SAY THAT I DO NOT
24 ENVY YOU FOR WHAT LIES AHEAD OF YOU. ENORMOUS MOUNTAIN
25 OF WORK, BUT IT DOES MATTER. AND THANK YOU VERY MUCH

1 FOR DOING IT.

2 MR. SIMPSON: I'D LIKE TO ECHO THOSE REMARKS.
3 THIS IS A TREMENDOUS AMOUNT OF WORK, AND WE'RE ALL VERY
4 AWARE OF THAT, AND WE ALL REALLY APPRECIATE THAT. AND
5 WE THINK IT'S SO IMPORTANT FOR PEOPLE IN CALIFORNIA,
6 THAT THAT'S WHY WE'RE TRYING TO CONTINUE TO SHINE LIGHT
7 ON IT.

8 ONE LAST ISSUE. AND THAT IS THE QUESTION OF
9 WHAT WE CALL FORM 700S. PUBLIC OFFICIALS HERE HAVE TO
10 DISCLOSE THEIR FINANCIAL INTERESTS. I BELIEVE IN THE
11 CONNECTICUT MODEL, THE PEER REVIEW TEAM IS VIEWED AS
12 STATE OFFICIALS AND THEY DO THAT. I KNOW THAT SOME OF
13 YOU, WHEN CONTACTED BY MEMBERS OF THE FOURTH ESTATE AND
14 ASKED ABOUT THIS, OPINED THAT, SINCE YOU WERE PROVIDING
15 THIS ANYWAY, YOU'D BE JUST AS HAPPY TO MAKE IT PUBLIC
16 TO EVERYONE.

17 I WOULD URGE THAT THAT BE PUBLIC FOR ALL OF
18 YOU, AND AT SOME POINT YOU FOLLOW THOSE PROCEDURES OF
19 DISCLOSING INTERESTS AS WE DO ON FORM 700S. FOR THOSE
20 OF YOU WHO HAVE GONE TO THE TROUBLE AND THE BURDEN OF
21 COMPILING THAT INFORMATION AND WOULD LIKE TO SEE IT GO
22 PUBLIC, I WAS GOING TO GIVE YOU EACH ONE OF MY BUSINESS
23 CARDS AND LET YOU, IF YOU CARE TO, FORWARD THAT
24 INFORMATION TO ME, AND I'D BE DELIGHTED TO SHARE IT
25 WITH THE PUBLIC. SO THANK YOU VERY MUCH.

1 CHAIRMAN ORKIN: THANK YOU. ANY OTHER
2 COMMENTS?

3 MR. SIMPSON: THANK YOU ALL FOR WHAT YOU ARE
4 DOING FOR US IN CALIFORNIA. WE DO TRULY APPRECIATE IT.

5 CHAIRMAN ORKIN: WE MOVE TO THE CLOSED
6 SESSION.

7 DR. HALL: YES. WE DECLARE THAT THIS IS
8 ADJOURNED, AND WE MOVE TO CLOSED SESSION TO BEGIN OUR
9 WORK.

10 (THE MEETING WAS THEN ADJOURNED TO
11 CLOSED SESSION AT 09:16 A.M.)

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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 PUBLIC PROCEEDINGS BEFORE THE SCIENTIFIC AND MEDICAL RESEARCH FUNDING WORKING GROUP OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD AT THE LOCATION INDICATED BELOW

MIYAKO HOTEL
1625 POST STREET
SAN FRANCISCO, CALIFORNIA
ON
NOVEMBER 28, 2006

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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