

BEFORE THE  
GOVERNANCE 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: NOVEMBER 24, 2014  
10:30 A.M.

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

BRS FILE NO.: 96966

BARRISTERS' REPORTING SERVICE

I N D E X

ITEM DESCRIPTION	PAGE NO.
1. CALL TO ORDER.	3
2. ROLL CALL.	3
3. CONSIDERATION OF AMENDMENTS TO THE CIRM TRAVEL POLICY.	4
4. CONSIDERATION OF AMENDMENTS TO BOARD BYLAWS.	8
5. CONSIDERATION OF CHANGES TO THE CIRM ORGANIZATIONAL STRUCTURE AND AMENDMENTS TO THE INTERNAL GOVERNANCE POLICY.	15
6. DISCUSSION OF SUMMARY OF CONTRACTS AND INTERAGENCY AGREEMENTS.	24
7. CONSIDERATION OF AMENDMENTS TO THE GRANTS WORKING GROUP CONFLICT OF INTEREST POLICY.	26
8. PUBLIC COMMENT.	NONE

BARRISTERS' REPORTING SERVICE

NOVEMBER 24, 2014; 10:30 A.M.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CHAIRMAN LANSING: I'D LIKE TO WELCOME EVERYONE TO THIS MEETING OF THE GOVERNANCE SUBCOMMITTEE OF THE ICOC. WE HAVE MEMBERS THAT ARE JOINING US FROM SEVERAL LOCATIONS. AND AS WE DO THE ROLL CALL, CAN YOU PLEASE LET US KNOW IF THERE ARE MEMBERS OF THE PUBLIC AT YOUR LOCATION SO WE CAN ACKNOWLEDGE THEM DURING OUR PUBLIC SESSION. AND AGAIN, THANK YOU ALL FOR PARTICIPATING IN THIS CALL SO CLOSE TO THANKSGIVING. I REALLY APPRECIATE IT.

AND NOW, SCOTT, WILL YOU PLEASE CALL THE ROLL.

MR. TOCHER: CERTAINLY. AL ROWLETT.

MR. ROWLETT: HERE. AND THERE ARE NO MEMBERS OF THE PUBLIC AT MY LOCATION. I'M IN SACRAMENTO.

MR. TOCHER: OKAY. THANK YOU.

JEFF SHEEHY.

MR. SHEEHY: HERE.

MR. TOCHER: OS STEWARD.

DR. STEWARD: HERE. NO PUBLIC.

MR. TOCHER: OKAY.

JONATHAN THOMAS.

CHAIRMAN THOMAS: HERE.

BARRISTERS' REPORTING SERVICE

1 MR. TOCHER: ART TORRES.

2 MR. TORRES: HERE.

3 MR. TOCHER: KRISTINA VUORI.

4 DR. VUORI: HERE. NO PUBLIC.

5 MR. TOCHER: ALL RIGHT. AND SHERRY  
6 LANSING.

7 CHAIRMAN LANSING: HERE. AND THERE'S NO  
8 PUBLIC.

9 MR. TOCHER: ALL RIGHT. AND IT DOESN'T  
10 APPEAR THAT WE HAVE ANY MEMBERS OF THE PUBLIC HERE  
11 AT CIRM EITHER.

12 CHAIRMAN LANSING: OKAY. SO WE HAVE A  
13 QUORUM THEN. SO I THINK WE CAN NOW MOVE TO AGENDA  
14 ITEM 3, WHICH IS THE CONSIDERATION OF AMENDMENTS TO  
15 THE TRAVEL POLICY. AND, CHILA, CAN YOU PLEASE TAKE  
16 US THROUGH THIS ITEM?

17 MS. SILVA-MARTIN: ABSOLUTELY. THANK YOU  
18 AND GOOD MORNING.

19 WE ARE REQUESTING THAT THIS COMMITTEE  
20 RECOMMEND APPROVAL OF CHANGES TO CIRM'S TRAVEL  
21 POLICY. AND JUST A LITTLE BIT OF BACKGROUND. IN  
22 LARGE PART, CIRM'S POLICY IS MODELED AFTER THE STATE  
23 OF CALIFORNIA'S TRAVEL POLICY, AND THE LAST MAJOR  
24 REVISION WAS MADE IN 2008.

25 IN LIGHT OF THE EXPERIENCE THAT WE'VE

BARRISTERS' REPORTING SERVICE

1 GAINED OVER THE LAST SIX YEARS, WE ARE RECOMMENDING  
2 PROPOSED AMENDMENTS TO THE TRAVEL POLICY THAT  
3 SUPPORT OUR MISSION AND SUPPORT FISCAL  
4 ACCOUNTABILITY OF STATE RESOURCES.

5 THE MAJORITY OF THE CHANGES ARE MINOR, AND  
6 THEY'RE REALLY TO CLARIFY RESPONSIBILITIES OF  
7 TRAVELERS, THE (INAUDIBLE).

8 THERE ARE THREE SUBSTANTIVE CHANGES THAT  
9 ARE PROPOSED FOR THIS AMENDMENT. THE FIRST IS  
10 ADVANCE APPROVAL FOR CIRM TRAVEL. SO CURRENTLY OUR  
11 POLICY DOES NOT EXPLICITLY REQUIRE ADVANCE APPROVAL.  
12 SO TO ENSURE THAT ALL TRAVEL IS MISSION CRITICAL,  
13 ANY TRAVEL INVOLVING EITHER AIR TRAVEL OR LODGING  
14 FOR OVERNIGHT STAY WOULD NOW REQUIRE ADVANCE WRITTEN  
15 APPROVAL OF CIRM MANAGERS. I DO WANT TO POINT OUT,  
16 THOUGH, THAT SOME OF OUR UNITS ACTUALLY ALREADY  
17 REQUIRE THIS, BUT IT'S NOT CONSISTENT THROUGHOUT THE  
18 ORGANIZATION. AND THIS CHANGE WOULD MAKE IT  
19 UNIFORM.

20 THE SECOND MAJOR CHANGE IS ESTABLISHING A  
21 CAP FOR LODGING. SO CURRENTLY WE HAVE NO UPPER  
22 LIMIT ON LODGING RATES. THE POLICY ONLY REQUIRES  
23 THAT THE RATE BE REASONABLE, WHICH REALLY LEAVES IT  
24 UP TO THE DISCRETION OF THE TRAVELER TO DETERMINE  
25 WHAT'S REASONABLE. SO THE AMENDMENT TO THE CURRENT

BARRISTERS' REPORTING SERVICE

1 POLICY WOULD ESTABLISH A CAP ON LODGING, AND IT  
2 WOULD BE NOT TO EXCEED 125 PERCENT OF THE FEDERAL  
3 RATE.

4 AND THEN FINALLY, THE LAST MAJOR CHANGE IS  
5 PAYMENT OF GROUP EXPENSES. SO OUR CURRENT POLICY  
6 ALLOWS FOR ONE INDIVIDUAL TO PAY FOR A GROUP'S MEAL  
7 AND THEN SEEK REIMBURSEMENT THROUGH THE TRAVEL CLAIM  
8 PROCESS. BUT BECAUSE OF THE RULES GOVERNING PER  
9 DIEMS, THIS REALLY CREATES A SIGNIFICANT  
10 ADMINISTRATIVE BURDEN, NOT ONLY ON THE FINANCE  
11 OFFICE, BUT THE DEPARTMENT OF GENERAL SERVICES. SO  
12 THE PROPOSED CHANGE ABOLISHES THIS PRACTICE AND,  
13 INSTEAD, WOULD REQUIRE THAT CIRM NEGOTIATE AND PAY  
14 DIRECTLY FOR MEALS OR THAT EACH TEAM MEMBER WOULD  
15 INDIVIDUALLY PAY FOR THEIR OWN AND THEN SEEK  
16 REIMBURSEMENT THROUGH A TRAVEL EXPENSE CLAIM.

17 SO THAT'S REALLY THE CHANGES TO THE  
18 POLICY. AND, AGAIN, OUR REQUEST IS THAT THE  
19 COMMITTEE RECOMMEND APPROVAL OF THOSE CHANGES.

20 CHAIRMAN LANSING: SO I PERSONALLY WANT TO  
21 THANK ALL OF YOU BECAUSE THIS HAS BEEN SOMETHING  
22 THAT I'VE BEEN AWARE OF FOR A WHILE. I THINK USING  
23 THE UNIVERSITY OF CALIFORNIA AS THE STANDARD IS WHAT  
24 WE DO IN MOST OF OUR JUDGMENTS. AND I THINK THAT'S  
25 A VERY GOOD STANDARD TO USE. AND ALSO I THINK

BARRISTERS' REPORTING SERVICE

1 MAKING US CONSISTENT WITH THE UNIVERSITY OF  
2 CALIFORNIA AND GIVING US A CONSISTENT POLICY  
3 THROUGHOUT ALL OF CIRM IS SOMETHING THAT I'M VERY  
4 HAPPY WE'RE DOING. SO I'M VERY COMFORTABLE WITH  
5 THIS PROPOSAL, AND I'D LOVE TO HEAR COMMENTS FROM  
6 MEMBERS OF THE SUBCOMMITTEE.

7 DOES ANYONE HAVE ANYTHING THAT THEY WOULD  
8 LIKE TO SAY?

9 SO THEN, I DON'T WANT TO IN ANY WAY -- I  
10 WANT EVERYONE TO FEEL COMFORTABLE. SO IF THERE ARE  
11 NO COMMENTS, THEN I WOULD LIKE A MOTION TO RECOMMEND  
12 THAT THE BOARD APPROVE THIS AMENDMENT.

13 MR. SHEEHY: SO MOVED.

14 MR. TORRES: SECOND.

15 CHAIRMAN LANSING: SECOND?

16 MR. TORRES: SECOND, ART.

17 MR. SHEEHY: AND I MADE THE MOTION. JEFF.

18 CHAIRMAN LANSING: I RECOGNIZE YOUR VOICE,  
19 JEFF. SO, SCOTT, I THINK THIS REQUIRES A ROLL CALL  
20 VOTE.

21 MR. TOCHER: THAT'S RIGHT. AND SINCE  
22 THERE ARE NO MEMBERS OF THE PUBLIC, WE'LL GO  
23 STRAIGHT TO THE ROLL.

24 AL ROWLETT.

25 MR. ROWLETT: APPROVED.

BARRISTERS' REPORTING SERVICE

1 MR. TOCHER: JEFF SHEEHY.

2 MR. SHEEHY: YES.

3 MR. TOCHER: STEWARD.

4 DR. STEWARD: YES.

5 MR. TOCHER: THOMAS.

6 CHAIRMAN THOMAS: YES.

7 MR. TOCHER: TORRES.

8 MR. TORRES: AYE.

9 MR. TOCHER: VUORI.

10 DR. VUORI: YES.

11 MR. TOCHER: AND LANSING.

12 CHAIRMAN LANSING: YES.

13 MR. TOCHER: THE MOTION CARRIES.

14 CHAIRMAN LANSING: GREAT. AND, AGAIN,  
15 THANK YOU FOR THE HARD WORK IN DRAWING THIS TO OUR  
16 ATTENTION.

17 SO, AGAIN, NOW I'D LIKE TO MOVE TO  
18 CONSIDERATION OF AMENDMENTS TO THE BOARD'S BYLAWS.  
19 THAT'S AGENDA ITEM 4, AND, JAMES, CAN YOU TAKE US  
20 THROUGH THIS PLEASE.

21 MR. HARRISON: I SURE CAN, SHERRY. THANK  
22 YOU. SO THIS IS A FAIRLY STRAIGHTFORWARD PROPOSED  
23 AMENDMENT. AS YOU ALL KNOW, PROP 71 PROVIDES THAT  
24 MEMBERS OF THE BOARD ARE ELIGIBLE TO RECEIVE A PER  
25 DIEM FOR THE WORK THAT YOU DEVOTE TO CIRM. AND THAT



BARRISTERS' REPORTING SERVICE

1 PER DIEM IS CURRENTLY \$125 A DAY. AS CURRENTLY  
2 WRITTEN, THE BYLAWS PROVIDE FOR AN ADJUSTMENT TO THE  
3 PER DIEM ON AN ANNUAL BASIS TO REFLECT COST OF  
4 LIVING.

5 AND THE WAY THE BYLAWS ARE WRITTEN HAS  
6 CAUSED US SOME ADMINISTRATIVE DIFFICULTIES BECAUSE  
7 WHEN MEMBERS DEVOTE A PORTION OF A DAY TO CIRM  
8 ACTIVITIES, THEY'RE REIMBURSED ON AN HOURLY BASIS.  
9 AND THE BYLAWS SPECIFY THAT BOTH THE HOURLY RATE AS  
10 WELL AS THE DAILY RATE SHOULD BE ADJUSTED FOR  
11 INFLATION AND THEN ROUNDED UP TO THE NEAREST WHOLE  
12 DOLLAR.

13 THE DIFFICULTY THAT'S PRESENTED IS THAT BY  
14 ROUNDING UP THE HOURLY RATE SEPARATELY FROM THE  
15 DAILY RATE, WE HAVE A VARIANCE ULTIMATELY IN THE  
16 HOURLY RATE VERSUS THE DAILY RATE. SO WHEN YOU  
17 MULTIPLY THE HOURLY RATE --

18 CHAIRMAN LANSING: IT VARIES. TELL US  
19 WHAT THE DIFFERENCE IS.

20 MR. HARRISON: CHILA, MAYBE YOU CAN HELP  
21 ME HERE.

22 MS. SILVA-MARTIN: SURE. SO, FOR EXAMPLE,  
23 THE RATES MIGHT GO -- I'M JUST TRYING TO REMEMBER  
24 WHAT THE HOURLY RATE IS. \$15. SO WHEN IT'S \$15, IF  
25 IT'S A \$125 AND YOU DIVIDE THAT, IT DOESN'T COME OUT

BARRISTERS' REPORTING SERVICE

1 EQUALLY. AND PART OF THE PROBLEM IS BECAUSE THESE  
2 ARE ALL PROCESSED THROUGH THE STATE CONTROLLER'S,  
3 THEIR SYSTEM DOESN'T ALLOW FOR THAT ROUNDING.

4 CHAIRMAN LANSING: I GET THAT, BUT WHAT I  
5 COULDN'T FIND -- IS THE HOURLY RATE TWELVE AND A  
6 HALF?

7 MS. SILVA-MARTIN: IT'S 15.

8 CHAIRMAN LANSING: GREAT. BECAUSE  
9 INITIALLY IT WAS TWELVE AND A HALF. SO IT'S BEEN  
10 RAISED BECAUSE OF INFLATION. GREAT. SO 15 TIMES 8  
11 IS -- WHAT IS IT?

12 MS. SILVA-MARTIN: 120.

13 CHAIRMAN LANSING: OKAY. GREAT. SO WE'RE  
14 REDUCING IT.

15 MS. SILVA-MARTIN: SO THEY'RE GETTING LESS  
16 BECAUSE OF ROUNDING.

17 CHAIRMAN LANSING: THAT'S REALLY WHAT I  
18 WANTED TO BE SURE OF.

19 MR. TORRES: WE PAY GARDENERS FAR MORE  
20 THAN THAT PER HOUR.

21 MR. HARRISON: SO, SHERRY, THE PURPOSE OF  
22 THIS AMENDMENT IS TO CREATE UNIFORMITY BY ADJUSTING  
23 THE HOURLY RATE AND THEN MULTIPLYING THE HOURLY RATE  
24 BY EIGHT TO GET THE DAILY RATE. THAT WAY WE'LL HAVE  
25 A UNIFORM RATE, AND IT WILL BE ADJUSTED

BARRISTERS' REPORTING SERVICE

1 APPROPRIATELY AND WILL NOT RESULT IN MEMBERS GETTING  
2 LESS THAN THEY DESERVE.

3 CHAIRMAN LANSING: OH, I'M CONFUSED. SO  
4 IN OTHER WORDS, WE WERE GOING TO PAY \$125 A DAY,  
5 CORRECT?

6 MS. SILVA-MARTIN: YES.

7 MR. HARRISON: CORRECT.

8 CHAIRMAN LANSING: WE WANT TO RAISE THE  
9 HOURLY RATE SO THAT IT TURNS OUT TO BE 125, OR DO WE  
10 WANT TO LOWER THE DAILY RATE TO 120?

11 MR. HARRISON: NO. WHAT WE WANT TO DO IS  
12 TO ADJUST THE RATE FOR COST OF LIVING. INSTEAD OF  
13 ADJUSTING THEM SEPARATELY, WHICH LEADS TO THE  
14 SITUATION THAT CHILA JUST DESCRIBED WHERE THE HOURLY  
15 RATE MAY BE LESS THAN DAILY RATE, WE WANT TO ADJUST  
16 GOING FORWARD THE DAILY RATE AND THEN MULTIPLY THAT  
17 OUT BY EIGHT SO THAT MEMBERS WILL BE GETTING THE  
18 SAME AMOUNT FOR A WHOLE DAY AS THEY WOULD ON AN  
19 HOURLY BASIS.

20 CHAIRMAN LANSING: GREAT. AND I'M SORRY  
21 TO BE SUCH A PEST ABOUT THIS. DO WE HAVE A  
22 RECOMMENDATION AS TO WHAT WE WANT TO ADJUST THE  
23 DAILY RATE TO, OR IS THAT SOMETHING FOR ANOTHER  
24 CONVERSATION?

25 MR. HARRISON: SO THAT'S ACTUALLY

BARRISTERS' REPORTING SERVICE

1 DETERMINED, SHERRY, BY THE COST OF LIVING  
2 ADJUSTMENT. SO ESSENTIALLY WHAT WE'LL DO IS WE'LL  
3 TAKE THE CURRENT DAILY RATE OF 125 FOR 2015, AND  
4 THEN ON AN HOURLY BASIS, WE'LL ADJUST THAT, ROUNDED  
5 UP FOR COST OF LIVING, AND THEN MULTIPLY THAT BY  
6 EIGHT IN ORDER TO GET THE NEW DAILY RATE.

7 CHAIRMAN LANSING: GOT IT. NOW I'M VERY  
8 COMFORTABLE. THANK YOU.

9 MR. TORRES: ALL RIGHT. SO WHAT ARE THE  
10 DAILY RATES FOR OTHER STATE COMMISSIONS AND BOARDS?  
11 DO WE KNOW? BECAUSE I THOUGHT CALPERS MEMBERS ARE  
12 REIMBURSED \$150 A DAY.

13 MS. SILVA-MARTIN: I DON'T HAVE THAT  
14 INFORMATION, BUT I CAN CERTAINLY GET IT FOR YOU.

15 MR. TORRES: WELL, IT CERTAINLY WOULD BE  
16 INTERESTING TO COMPARE WHAT WE'RE PLANNING TO PAY  
17 OUR BOARD MEMBERS SO AT LEAST WE GET SOME  
18 UNDERSTANDING THAT WE MAY BE PAYING LESS THAN ANY  
19 OTHER STATE COMMISSION CURRENTLY EARNS.

20 CHAIRMAN LANSING: AND YOU HAVE TO COMPARE  
21 IT -- THE REGENTS DON'T GET ANYTHING, DO THEY?

22 MR. TORRES: I THOUGHT THE REGENTS GOT A  
23 PER DAY PER DIEM.

24 CHAIRMAN LANSING: I DON'T KNOW. I DON'T  
25 TAKE IT, BUT I'M NOT -- I THINK THEY GET TRAVEL AND

BARRISTERS' REPORTING SERVICE

1 FOOD AND A HOTEL ALL DONE BY THE STATE RATES, BUT I  
2 DON'T THINK THEY GET ANYTHING FOR PER DIEM. THAT'S  
3 WHY WHEN PEOPLE YELL AT US, WE JUST GO WAIT A  
4 MINUTE. NO ONE IS GETTING ANY MONEY.

5 MR. HARRISON: SO JUST TO BE CLEAR --

6 CHAIRMAN LANSING: I WILL DOUBLE-CHECK  
7 THAT, BUT I'M NOT SURE THEY GET ANY -- I DON'T KNOW  
8 BECAUSE I DON'T TAKE IT, SO MAYBE I'M WRONG. I WAS  
9 UNDER THE IMPRESSION THAT YOU GET YOUR MEALS, YOUR  
10 MEAL AT DINNER AND A CO-CHAIR AFFAIR. BUT I COULD  
11 BE WRONG. MAYBE THERE IS A DAILY RATE. I'D LOVE TO  
12 KNOW THAT ACTUALLY.

13 MR. HARRISON: JUST TO BE CLEAR, THE RATE  
14 FOR BOARD MEMBERS IS ESTABLISHED BY PROP 71 AT \$100  
15 AND THEN ADJUSTED ANNUALLY FOR INFLATION. THAT'S  
16 HOW WE END UP CURRENTLY AT 125.

17 MR. TORRES: SO THE FLOOR IN '04 WAS A  
18 HUNDRED BUCKS.

19 MR. HARRISON: RIGHT. TO YOUR POINT, IT'S  
20 TRUE THAT OTHER STATE BOARDS AND COMMISSIONS MAY PAY  
21 A HIGHER PER DIEM RATE, BUT WE'RE BOUND BY STATUTE  
22 AND LIMITED TO \$100 AS ADJUSTED FOR INFLATION SINCE  
23 2004.

24 CHAIRMAN LANSING: OKAY. SO THAT MAKES IT  
25 QUITE CLEAR, AND I THANK YOU FOR THIS UPDATE. AND

BARRISTERS' REPORTING SERVICE

1 I, AGAIN, NOW THAT I UNDERSTAND IT, BECAUSE I  
2 THOUGHT WE WERE GOING TO GO TO A DIFFERENT NUMBER,  
3 SO YOU MEAN ADJUST IT FOR IN INFLATION AND THEN  
4 WE'RE BOUND BY THAT \$100 AS OUR BASE. SO I THINK  
5 THIS IS QUITE SENSIBLE BECAUSE YOU DON'T WANT TWO  
6 DIFFERENT NUMBERS.

7 SO I WOULD LIKE TO HEAR COMMENTS FROM THE  
8 MEMBERS OF THE SUBCOMMITTEE REGARDING THIS UPDATE.

9 HEARING NONE, CAN I HEAR A MOTION TO  
10 RECOMMEND THAT THE BOARD APPROVE THIS AMENDMENT?

11 MR. SHEEHY: SO MOVED.

12 MR. ROWLETT: SECOND.

13 CHAIRMAN LANSING: OKAY. WAS THAT ART?  
14 WAS THAT YOUR VOICE?

15 MR. SHEEHY: NO, IT WAS JEFF.

16 MR. TORRES: JEFF.

17 CHAIRMAN LANSING: OH, JEFF. I DIDN'T  
18 RECOGNIZE YOUR VOICE THIS TIME. OKAY.

19 MR. TORRES: HE WAS TRYING TO DISGUISE IT.

20 CHAIRMAN LANSING: SCOTT, CALL THE ROLL  
21 PLEASE.

22 MR. SHEEHY: THAT WAS MY ART TORRES  
23 IMITATION.

24 MR. TOCHER: AL ROWLETT.

25 MR. ROWLETT: YES.

BARRISTERS' REPORTING SERVICE

1 MR. TOCHER: JEFF SHEEHY.

2 MR. SHEEHY: YES.

3 MR. TOCHER: OS STEWARD.

4 DR. STEWARD: YES.

5 MR. TOCHER: JONATHAN THOMAS.

6 CHAIRMAN THOMAS: YES.

7 MR. TOCHER: ART TORRES.

8 MR. TORRES: AYE.

9 MR. TOCHER: KRISTINA VUORI.

10 DR. VUORI: YES.

11 MR. TOCHER: AND SHERRY LANSING.

12 CHAIRMAN LANSING: YES.

13 GREAT. OKAY. NOW WE'RE GOING TO MOVE ON  
14 TO AGENDA ITEM 5, WHICH IS CONSIDERATION OF CHANGES  
15 TO CIRM'S ORGANIZATIONAL STRUCTURE. AND YOU HAVE  
16 ALL THE MATERIALS IN THE BOOK TO LOOK AT; BUT,  
17 RANDY, CAN YOU PLEASE WALK US THROUGH THIS ITEM.

18 DR. MILLS: SURE. I'D BE HAPPY TO. THANK  
19 YOU, SHERRY AND MEMBERS OF THE BOARD.

20 SO THE PURPOSE OF WHAT I'M TRYING TO DO  
21 HERE WITH REGARDS TO THE ORGANIZATIONAL STRUCTURE IS  
22 TO DEVELOP CLARITY WITHIN CIRM ON ALL THE  
23 RESPONSIBILITIES AND, FRANKLY, AMEND THE  
24 ORGANIZATIONAL STRUCTURE A LITTLE BIT WHICH I THINK  
25 OVER TIME HAS BECOME A VICTIM OF MAYBE WHAT YOU

BARRISTERS' REPORTING SERVICE

1 COULD CALL ORGANIZATIONAL SPRAWL. AND I THINK WITH  
2 THE INTRODUCTION OF CIRM 2.0, IT'S A GOOD  
3 OPPORTUNITY FOR US NOT ONLY TO TAKE A LOOK AT OUR  
4 INTERNAL SYSTEMS, BUT ALSO TO TAKE A LOOK AT OUR  
5 ORGANIZATIONAL STRUCTURE AND MAKE SURE THAT  
6 ORGANIZATIONAL STRUCTURE IS SUPPORTING OUR SYSTEM  
7 AND OUR MISSIONS AND NOT THE OPPOSITE, THAT WE DON'T  
8 WANT TO BE CAPTIVE TO AN ORGANIZATIONAL STRUCTURE  
9 THAT'S NOT FUNCTIONAL.

10 SO THAT'S WHERE THIS REQUEST COMES FROM.  
11 AGAIN, OUR MISSION, ACCELERATING STEM CELL  
12 TREATMENTS TO PATIENTS WITH UNMET MEDICAL NEEDS,  
13 HASN'T CHANGED, BUT I WILL ALWAYS POUND THAT DRUM TO  
14 MAKE SURE WE'RE ALL ON THE SAME PAGE ABOUT THAT  
15 BECAUSE I FEEL REALLY STRONGLY ABOUT ALIGNMENT.

16 GOING THROUGH WHAT THE PROPOSED  
17 ORGANIZATIONAL STRUCTURE IS INTENDED TO ACCOMPLISH  
18 IN TWO WORDS IS ORGANIZATIONAL CLARITY. ONE OF THE  
19 THINGS THAT I WANT TO MAKE SURE WE ALWAYS HAVE IS  
20 ALIGNMENT BETWEEN OUR STRUCTURE, OUR MISSION, AND  
21 OUR OPERATING SYSTEM. AND WITH OUR OPERATING SYSTEM  
22 CHANGING TO WHAT WE CALL CIRM 2.0, IT IS APPROPRIATE  
23 FOR US TO TAKE A LOOK AT OUR ORGANIZATIONAL  
24 STRUCTURE AND MAKE SURE WE HAVE ONE IN PLACE THAT'S  
25 FULLY SUPPORTIVE OF THE NEEDS OF THE OPERATING



BARRISTERS' REPORTING SERVICE

1 SYSTEM.

2 I ALSO WANT TO MAKE SURE WE HAVE CLEAR  
3 UNDERSTANDING INTERNALLY OF THE DIFFERENT ROLES AND  
4 RESPONSIBILITIES AND, AS I MENTIONED BEFORE, A  
5 FLATTER ORGANIZATIONAL STRUCTURE, AND FLATTER FOR  
6 THE PURPOSES OF BEING MORE RESPONSIVE TO THE NEEDS  
7 OF OUR STAKEHOLDERS.

8 I THINK THIS NEW ORGANIZATIONAL STRUCTURE  
9 WILL ACTUALLY PROVIDE THE INTERNAL MEMBERS OF THE  
10 OSIRIS -- THE CIRM TEAM -- IT'S AMAZING. I DON'T  
11 MAKE THAT MISTAKE MORE OFTEN -- BUT THE CIRM TEAM  
12 MORE OPPORTUNITIES FOR DEVELOPMENT AND MORE  
13 OPPORTUNITIES FOR GROWTH.

14 AND THEN LASTLY, IT IS MY SINCERE HOPE  
15 THAT WITH THIS NEW ORGANIZATIONAL STRUCTURE AND WITH  
16 OUR NEW OPERATING SYSTEM, WE CAN IMPROVE OUR  
17 EFFICIENCY, OUR SPEED, AND VERY IMPORTANTLY, OUR  
18 INNOVATIONS. ONE OF THE THINGS WE TALKED ABOUT  
19 INTERNALLY WHEN INTRODUCING THIS CONCEPT WAS THAT WE  
20 WERE GOING TO DEVELOP EFFICIENCIES OUT OF CIRM 2.0  
21 AND OUT OF THIS NEW OPERATING STRUCTURE, AND WE WERE  
22 GOING TO TAKE THOSE EFFICIENCIES AND INVEST THEM  
23 BACK INTO INNOVATION AND TRYING TO MAKE CIRM THE  
24 BEST IT COULD POSSIBLY BE.

25 SO THE PROPOSED STRUCTURE THAT I'VE LAID

BARRISTERS' REPORTING SERVICE

1 OUT IS A HYBRID MODEL CONSISTING OF OPERATING UNITS  
2 AND SUPPORT FUNCTIONS WHERE THE OPERATING UNITS ARE  
3 SPECIALIZED AND FOCUSED WHICH WOULD ALLOW US TO  
4 DEVELOP EXPERTISE WITHIN AN AREA, DEVELOP INNOVATION  
5 WITHIN A PARTICULAR AREA, AND HAVE PEOPLE FULLY  
6 ACCOUNTABLE FOR THE WORK THAT THOSE OPERATING UNITS  
7 ARE RESPONSIBLE FOR. AND SO SPECIFICALLY WE'LL HAVE  
8 OPERATING UNITS AROUND THINGS LIKE THEIR REVIEW,  
9 WHICH WILL BE FOCUSED JUST ON REVIEW, AND WE'RE  
10 INTRODUCING THE CONCEPT OF THERAPEUTIC AREAS. AND  
11 SO WE'VE BASICALLY DIVIDED OUR PORTFOLIO INTO THREE  
12 DISTINCT AREAS AND ALLOW THE PEOPLE WITHIN A  
13 THERAPEUTIC AREA TO DEVELOP EXPERTISE IN THOSE  
14 SPECIFIC AREAS SO THEY CAN HELP MOVE THOSE THINGS  
15 ALONG MORE QUICKLY.

16 WHY IT'S A HYBRID MODEL IS BECAUSE WE ALSO  
17 HAVE SUPPORT FUNCTIONS WHICH WILL BE GENERALIZED  
18 ACROSS THE ENTIRE ORGANIZATION. THESE INCLUDE  
19 THINGS LIKE ADMINISTRATION, FINANCE, AND LEGAL WHICH  
20 IT CLEARLY WOULDN'T MAKE SENSE TO DEPLOY  
21 INDIVIDUALLY INTO EACH OF THE OPERATING UNITS. AND  
22 SO THIS HAS THE BENEFICIAL EFFECT OF BEING CLEARLY  
23 MORE EFFICIENT AND MORE COST-EFFECTIVE ACROSS THE  
24 ORGANIZATION, BUT IT ALSO PROVIDES AN OPPORTUNITY  
25 FOR OVERSIGHT AND TO MAKE SURE THAT WE HAVE

BARRISTERS' REPORTING SERVICE

1 APPROPRIATE CHECKS AND BALANCES IN PLACE.

2 THE STRUCTURE ALSO HAS CONTEMPLATED NOT  
3 JUST GROUPING, WHICH IS A TERM IN ORGANIZATION WHERE  
4 WE TALK ABOUT BASICALLY WHAT DEPARTMENTS PEOPLE GO  
5 INTO, BUT ALSO LINKING. THE REASON FOR  
6 CONTEMPLATING THESE TWO CONCEPTS IS TO NOT JUST  
7 CREATE THE FOCUS THAT'S REQUIRED BY PUTTING PEOPLE  
8 IN DEPARTMENTS, BUT ALSO LOOKING AT HOW THESE  
9 DEPARTMENTS ARE GOING TO INTERACT WITH ONE ANOTHER.  
10 AND THERE ARE REALLY TWO GOOD REASONS FOR THAT. ONE  
11 IS THIS CONCEPT OF LINKAGE FOR BEST PRACTICES WITHIN  
12 AN ORGANIZATION. SO AS ONE GROUP GETS GOOD AT  
13 SOMETHING, OTHER GROUPS CAN ADOPT IT BECAUSE THEY'RE  
14 LINKED TO IT.

15 THE OTHER THING IT PREVENTS IS, NEGATIVELY  
16 SPEAKING, SILO FORMATION. AND SO WHILE WE WANT TO  
17 HAVE FOCUS WITHIN EACH DEPARTMENT, WE DON'T WANT  
18 THAT FOCUS TO BE DISLOCATED FROM THE OVERALL MISSION  
19 OF CIRM IN A WAY WHICH WOULD PREVENT US FROM  
20 EFFICIENTLY ADVANCING AS AN ORGANIZATION.

21 SO WITH THAT SAID, THE ORGANIZATIONAL  
22 STRUCTURE I'VE LAID OUT, I DON'T HAVE A SLIDE  
23 NUMBER, BUT YOU CAN SEE THE DIFFERENT -- REALLY THE  
24 CHANGES COME FROM THE DECENTRALIZATION OF MOST OF  
25 THESE DEPARTMENTS. AND SO MOVING LEFT TO RIGHT, WE

BARRISTERS' REPORTING SERVICE

1 HAVE APPLICATION AND REVIEW, WHICH WILL DO EXACTLY  
2 THAT, WILL BE IN CHARGE OF GENERATING THE RFA'S,  
3 HOLDING THE -- ACCEPTING THE APPLICATIONS AND  
4 CONDUCTING THE REVIEWS. THIS IS PARTICULARLY  
5 IMPORTANT IN CIRM 2.0 AS A LARGE PART OF THE  
6 ADVANTAGE OF THIS NEW PRODUCT IS THE SPEED AT WHICH  
7 WE'RE GOING TO BE ABLE TO CONDUCT REVIEWS. AND SO  
8 THIS IS NOT A TRIVIAL TASK.

9 THEN LOGICALLY MOVING TOWARDS DISCOVERY.  
10 SO IF IT'S AN EARLY STAGE PROGRAM THAT'S NOT IN  
11 TRANSLATIONAL, THOSE WILL BE TAKEN IN OUR DISCOVERY  
12 GROUP ALONG WITH OUR EDUCATIONAL PROGRAMS, FOLLOWED  
13 BY OUR THREE THERAPEUTIC AREAS, WHICH ARE  
14 NEURO/OCULAR, BLOOD AND CANCER, AND ORGAN SYSTEMS.  
15 THESE THREE THERAPEUTIC AREAS ARISE OUT OF BOTH  
16 THEIR RELATEDNESS TO ONE ANOTHER AS WELL AS NEEDING  
17 TO BALANCE OUR PORTFOLIO. SO WHAT WE'RE TRYING TO  
18 DO HERE IS CREATE THERAPEUTIC AREAS WHICH WILL ALLOW  
19 THE PEOPLE WITHIN THOSE AREAS TO GAIN EXPERTISE AND  
20 NOT HAVE TO SPREAD THEMSELVES TOO THINLY.

21 SORT OF THE ANALOGY WE GIVE HERE IS  
22 THERE'S A REASON WHY YOUR ENDOCRINOLOGIST ISN'T ALSO  
23 YOUR NEUROSURGEON. IT'S JUST TOO MUCH STUFF TO --  
24 TOO MUCH KNOWLEDGE AND EXPERTISE IN ORDER TO BE ABLE  
25 TO GET FOCUSED. AND SO WE'VE DIVIDED IT UP INTO

BARRISTERS' REPORTING SERVICE

1 THESE THREE AREAS FOR THAT PURPOSE.

2 WE THEN HAVE PROJECTS AND CENTERS WHICH  
3 WILL DEAL WITH OUR LARGE PROGRAMS LIKE GENOMICS AND  
4 ALPHA CLINICS AND THE LIKE. THEY ALSO HAVE  
5 RESPONSIBILITY FOR COMPLIANCE AND AUDITING, SO  
6 OVERSIGHT OF OUR DIFFERENT PROGRAMS AND OUR CLINICAL  
7 PROGRAMS TO MAKE SURE THAT THEY ARE ACTING AS THEY  
8 ARE SUPPOSED TO.

9 OUT OF THAT, THEN, WE HAVE BASICALLY THREE  
10 STANDARD CATEGORIES: LEGAL, WHICH IS WHAT IT SOUNDS  
11 LIKE; ADMINISTRATION, WHICH INCLUDES COMMUNICATIONS,  
12 INFORMATION TECHNOLOGY, AND HUMAN RESOURCES; AND  
13 THEN, LASTLY, FINANCE, WHICH I THINK WILL BE VERY  
14 IMPORTANT AS WE MOVE FORWARD, MAKING SURE WE'RE  
15 STAYING ON TRACK FINANCIALLY.

16 SO THAT IN A NUTSHELL IS THE PROPOSED  
17 ORGANIZATIONAL STRUCTURE. I'LL BE HAPPY TO ANSWER  
18 ANY QUESTIONS.

19 CHAIRMAN LANSING: THANK YOU, RANDY. I  
20 REALLY THANK YOU FOR TAKING THIS ON, CIRM 2.0, AND  
21 REALLY ONCE AGAIN SHOWING, I THINK, INCREDIBLE  
22 LEADERSHIP AND ORGANIZATIONAL ABILITIES IN SEEING  
23 WHAT THE PROBLEMS ARE AND COMING UP WITH A VERY,  
24 VERY INTERESTING ORGANIZATIONAL CHART.

25 SO I'D LIKE TO OPEN THIS TO MEMBERS OF THE

BARRISTERS' REPORTING SERVICE

1 SUBCOMMITTEE. DOES ANYONE HAVE ANY QUESTIONS OR  
2 CONCERNS ABOUT THIS NEW CHART?

3 CHAIRMAN THOMAS: SHERRY, IT'S J.T. I'D  
4 JUST LIKE TO SECOND YOUR COMMENTS. RANDY HAS SPENT  
5 A VERY LARGE AMOUNT OF TIME FORMULATING THIS NEW  
6 PROPOSED ORG STRUCTURE AND TAKING SOMETHING THAT WAS  
7 ALREADY A GOOD FUNCTIONING ORGANIZATION AND REALLY  
8 COMING UP WITH SOMETHING THAT I THINK WILL CAPTURE  
9 THE ESSENCE OF CIRM 2.0 AND MOVE THINGS ON TO EVEN  
10 GREATER HEIGHTS. SO I WANT TO ECHO THE COMMENTS AND  
11 SAY, RANDY, IT'S A REALLY WELL-THOUGHT OUT, REALLY  
12 GOOD IDEA HERE. AND I THINK IT WILL SERVE THE  
13 ORGANIZATION VERY WELL.

14 CHAIRMAN LANSING: I AGREE TOTALLY.  
15 RANDY, THIS IS JUST, I THINK, TERRIFIC. AND YOUR  
16 LEADERSHIP IN THIS AREA HAS BEEN EXTRAORDINARY AND  
17 IT WILL ALLOW US TO DO AN EVEN BETTER JOB WITH THE  
18 MISSION.

19 SO I'D LIKE TO HAVE A MOTION TO RECOMMEND  
20 THAT THE BOARD APPROVE THESE CHANGES TO THE CIRM  
21 ORGANIZATIONAL STRUCTURE.

22 MR. TORRES: SO MOVED.

23 CHAIRMAN LANSING: SECOND? I KNEW THAT  
24 WAS ART. SECOND?

25 CHAIRMAN THOMAS: SECOND.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN LANSING: OKAY. J. T. SCOTT,  
2 WOULD YOU PLEASE CALL THE ROLL.

3 MR. HARRISON: SHERRY, IT'S JAMES. COULD  
4 I JUST CLARIFY FIRST THAT THIS MOTION ALSO  
5 ENCOMPASSES THE --

6 CHAIRMAN LANSING: GOVERNANCE POLICIES.

7 MR. HARRISON: THANK YOU.

8 MR. TOCHER: AL ROWLETT.

9 MR. ROWLETT: YES.

10 MR. TOCHER: JEFF SHEEHY.

11 MR. SHEEHY: YES.

12 MR. TOCHER: OS STEWARD.

13 DR. STEWARD: YES.

14 MR. TOCHER: JONATHAN THOMAS.

15 CHAIRMAN THOMAS: YES.

16 MR. TOCHER: ART TORRES.

17 MR. TORRES: AYE.

18 MR. TOCHER: KRISTINA VUORI.

19 DR. VUORI: YES.

20 MR. TOCHER: AND SHERRY LANSING.

21 CHAIRMAN LANSING: ABSOLUTELY YES.

22 SO GREAT. SO NOW WE'RE GOING TO MOVE TO  
23 AGENDA ITEM 6, WHICH IS A DISCUSSION OF THE SUMMARY  
24 OF THE CONTRACTS AND INTERAGENCY AGREEMENTS.  
25 CYNTHIA, CAN YOU PLEASE WALK US THROUGH THIS ITEM.

BARRISTERS' REPORTING SERVICE

1 MS. SCHAFFER: HI. THIS IS THE CIRM  
2 POLICY ON CONTRACTING FOR THE STAFF TO SUBMIT A  
3 REPORT TO THE GOVERNANCE SUBCOMMITTEE FOR AGREEMENTS  
4 ABOVE \$20,000. THIS SUMMARY IS FOR THE FIRST  
5 QUARTER OF CIRM'S FISCAL YEAR 2014-2015, WHICH GOES  
6 FROM JULY TO SEPTEMBER 30TH. IT'S A STANDARD REPORT  
7 FORMAT THAT WE'VE BEEN PROVIDING FOR A WHILE. AND  
8 IF THERE'S ANY QUESTIONS, I'D BE HAPPY TO ANSWER  
9 THEM.

10 CHAIRMAN THOMAS: CYNTHIA, I HAVE A  
11 QUESTION JUST MORE FOR INFORMATIONAL PURPOSES. ON  
12 THE INTERAGENCY AGREEMENTS, COULD YOU JUST TELL US A  
13 LITTLE BIT MORE ABOUT WHAT DGS AND THE PUC DO FOR  
14 US? I THINK, BY THE WAY, IT LOOKS LIKE THE DATES,  
15 THERE'S A TYPO THERE.

16 MS. SCHAFFER: YES, THERE IS. I SEE THAT.  
17 CHILA, WOULD YOU HAPPY TO.

18 MS. SILVA-MARTIN: WELL, THE DEPARTMENT OF  
19 GENERAL SERVICES ACTUALLY PERFORMS OUR OFFICIAL  
20 ACCOUNTING SERVICES. SO THEY ENTER ALL OF OUR  
21 ACCOUNTING TRANSACTIONS INTO CALSTRS, THE STATE'S  
22 ACCOUNTING SYSTEM, SUBMITS A CLAIM SCHEDULE TO STATE  
23 CONTROLLER'S OFFICE FOR PAYMENT. THEY DO ALL THE  
24 MONTHLY RECONCILIATIONS AND THEN PERFORM THE  
25 YEAR-END FUNCTION. SO THEY ARE DOING ALL OF OUR



BARRISTERS' REPORTING SERVICE

1 ACCOUNTING FOR US.

2 CHAIRMAN THOMAS: SO THEY INTERACT WITH  
3 OUR OUTSIDE AUDITORS.

4 MS. SILVA-MARTIN: THEY DO. ACTUALLY WHEN  
5 THE AUDITORS COME IN, THEY GO TO THEIR OFFICE AND  
6 LOOK AT ALL OF THE SUPPORTING DOCUMENTS. AND SO  
7 THEIR TEAM THERE INTERACTS WITH THE AUDIT TEAM AND  
8 WE DO HERE AS WELL.

9 AND THEN SIMILARLY, THE PUBLIC UTILITIES  
10 COMMISSION PERFORMS OUR PAYROLL SERVICES. SO THEY  
11 ARE THE ONES THAT ARE RESPONSIBLE FOR PROCESSING ALL  
12 OF OUR TIME SHEETS AND MAKING SURE THAT ALL THAT  
13 DATA IS INPUT INTO THE STATE CONTROLLER'S PAYROLL  
14 ACCOUNTING, THE PAYROLL SYSTEM, AND TRACKING ALL OF  
15 OUR BALANCES AND THOSE TYPES OF THINGS.

16 CHAIRMAN THOMAS: OKAY.

17 MS. SCHAFFER: AND IF WE COULD JUST STATE  
18 THAT EVEN THOUGH THERE WAS A TYPO IN THE CONTRACT  
19 PERIOD, THOSE ARE THE CORRECT AMOUNTS.

20 CHAIRMAN LANSING: ANY OTHER QUESTIONS FOR  
21 CYNTHIA? OKAY. WITH THAT SAID, I DON'T THINK -- DO  
22 I NEED A ROLL CALL VOTE FOR THIS?

23 MR. TOCHER: NO, SHERRY. THERE'S NO  
24 MOTION NEEDED FOR THIS ITEM.

25 CHAIRMAN LANSING: OKAY. SO THANK YOU

BARRISTERS' REPORTING SERVICE

1 VERY MUCH, CYNTHIA. AND THANK YOU, J.T., FOR  
2 CATCHING THE TYPO, AND I KNOW WE'LL CORRECT THAT.  
3 AND SO WITH THAT SAID, WE CAN MOVE ON TO AGENDA ITEM  
4 7, WHICH IS CONSIDERATION OF AMENDMENTS TO THE  
5 GRANTS WORKING GROUP CONFLICT OF INTEREST POLICY.  
6 JAMES, CAN YOU WALK US THROUGH THIS.

7 MR. HARRISON: SURE. THANK YOU, SHERRY.  
8 AS YOU ALL KNOW, PROP 71 REQUIRES THE BOARD TO ADOPT  
9 CONFLICT OF INTEREST RULES FOR THE NON-ICOC MEMBERS  
10 OF THE GRANTS WORKING GROUP. AND BY STATUTE THESE  
11 RULES HAVE TO BE MODELED ON THE NATIONAL INSTITUTES'  
12 OF HEALTH CONFLICT RULES.

13 THE BOARD FIRST ADOPTED THE CONFLICT OF  
14 INTEREST POLICY FOR THE GWG IN 2005, AND WE HAVEN'T  
15 UPDATED IT SINCE 2008. AFTER YEARS OF APPLYING THE  
16 RULES, WE'VE IDENTIFIED AMBIGUITIES, SOME HOLES, AND  
17 SOME INSTANCES WHERE THE RULES APPEAR TO CAPTURE  
18 RELATIONSHIPS THAT DON'T TRULY APPEAR TO PRESENT  
19 CONFLICTS OF INTEREST.

20 WE'VE ALSO IDENTIFIED AREAS WHERE OUR  
21 RULES DIVERGE FROM NIH'S. SO WE HAVE UNDERTAKEN A  
22 PROCESS TO REVIEW THE POLICY AND TO PROPOSE SOME  
23 UPDATES. THE GOAL OF THE CHANGES THAT WE'VE  
24 PROPOSED TO YOU TODAY IS TO PROVIDE GREATER CLARITY  
25 AND TO REFINE THE RULES TO ENSURE THAT WE ARE

BARRISTERS' REPORTING SERVICE

1 APPROPRIATELY CAPTURING CONFLICTS OF INTEREST.

2 YOU MAY RECALL THAT WE FIRST BROUGHT A  
3 PROPOSAL TO THE BOARD TO INITIATE THE RULEMAKING  
4 PROCESS TO AMEND THE POLICY IN OCTOBER 2013. AT  
5 THAT TIME BOARD MEMBERS RAISED A NUMBER OF QUESTIONS  
6 AND DIRECTED US TO GO BACK TO THE DRAWING BOARD,  
7 WHICH WE'VE DONE, AND THEN TO PRESENT THE REVISED  
8 AMENDMENTS TO THE GOVERNANCE SUBCOMMITTEE.

9 SO I WOULD LIKE TO BRIEFLY WALK YOU  
10 THROUGH SOME OF THE MAJOR PROPOSED CHANGES. FIRST,  
11 WE WOULD EXPAND THE SCOPE OF FINANCIAL CONFLICTS OF  
12 INTEREST. UNDER OUR CURRENT RULES, FINANCIAL  
13 CONFLICTS ARE LIMITED TO A MEMBER'S FINANCIAL  
14 INTEREST EITHER IN THE APPLICANT INSTITUTION OR THE  
15 APPLICATION AND/OR REVIEW, MEANING WOULD TEND TO  
16 RECEIVE SOME DIRECT BENEFIT FROM THE APPLICATION.  
17 WE PROPOSE TO EXPAND THE SCOPE OF FINANCIAL  
18 CONFLICTS TO INCLUDE FINANCIAL INTERESTS IN  
19 SUBCONTRACTORS AND PARTNERS, BOTH OF WHICH WE DEFINE  
20 IN THE POLICY.

21 THE INTENT OF THAT CHANGE IS TO CAPTURE  
22 OTHER FINANCIAL INTERESTS THAT COULD CREATE A  
23 CONFLICT OF INTEREST WITH RESPECT TO A PARTICULAR  
24 APPLICATION EITHER BECAUSE THE FINANCIAL INTEREST IS  
25 A SIGNIFICANT PARTICIPANT IN THE PROPOSED PROJECT --

BARRISTERS' REPORTING SERVICE

1 THIS WOULD BE THE CASE, FOR EXAMPLE, FOR CERTAIN  
2 SUBCONTRACTORS -- OR BECAUSE A FINANCIAL INTEREST  
3 STANDS TO BENEFIT FINANCIALLY IF THE PROJECT IS  
4 SUCCESSFUL, WHICH IS THE CASE FOR CERTAIN PARTNERS  
5 SUCH AS CO-FUNDERS UNDER CERTAIN CIRCUMSTANCES WHERE  
6 THEY HAVE A RIGHT TO REALIZE SOME FINANCIAL GAIN IF  
7 THE PROJECT IS SUCCESSFUL.

8 WE HAVE ALSO TAKEN A FLESH LOOK AT  
9 PROFESSIONAL CONFLICTS OF INTEREST. UNDER OUR  
10 CURRENT POLICY, A MEMBER OF THE GRANTS WORKING GROUP  
11 IS CONSIDERED TO HAVE A CONFLICT IF HE OR SHE HAS  
12 HAD LONG-STANDING SCIENTIFIC DIFFERENCES WITH THE  
13 APPLICANT THAT ARE KNOWN TO THE PROFESSIONAL  
14 COMMUNITY AND COULD BE PERCEIVED AS AFFECTING THE  
15 MEMBER'S OBJECTIVITY.

16 DURING OUR MEETING IN JANUARY, STEVE  
17 JUELSGAARD POINTED OUT THAT DIFFERENCES OF  
18 SCIENTIFIC OPINION ARE COMMON AND INDEED HEALTHY  
19 BECAUSE, OF COURSE, SCIENTIFIC DEBATE HELPS TO  
20 ILLUMINATE ISSUES OF CONCERN.

21 WE HAVE ALSO REVIEWED THE NIH POLICY, AND  
22 NIH DOES NOT HAVE AN ANALOGOUS PROVISION. BECAUSE  
23 OF THE DIFFICULTY OF APPLYING THIS PARTICULAR  
24 PROVISION, GIVEN THE SUBJECTIVITY INVOLVED AND  
25 BECAUSE NIH DOES NOT HAVE AN ANALOGOUS PROVISION, WE

BARRISTERS' REPORTING SERVICE

1 PROPOSE TO ELIMINATE IT. HOWEVER, TO ADDRESS THE  
2 CONCERNS THAT UNDERLIE THE RULE, WE WOULD PROPOSE  
3 TWO THINGS. FIRST, IN ADDITION TO THE OTHER  
4 DISCLOSURES WE REQUIRE OF MEMBERS, WE WOULD REQUIRE  
5 A MEMBER TO DISCLOSE A SITUATION IN WHICH THE MEMBER  
6 BELIEVES THAT HIS OR HER OBJECTIVITY COULD BE  
7 COMPROMISED FOR ANY REASON AT ALL, INCLUDING A  
8 LONG-STANDING PROFESSIONAL DISPUTE OF THE NATURE  
9 DESCRIBED IN OUR RULES.

10 IN ADDITION, WE PLAN TO INTRODUCE AS PART  
11 OF CIRM 2.0 A SCREENING MECHANISM THAT WOULD PERMIT  
12 APPLICANTS TO IDENTIFY UP TO A TOTAL OF THREE  
13 INDIVIDUALS, INCLUDING LABS OR COMPANIES, WHOM THE  
14 APPLICANT BELIEVES COULD BE BIASED. AND THAT'S TRUE  
15 WHETHER IT WAS FOR PERSONAL, PROFESSIONAL,  
16 COMPETITIVE, OR OTHER REASONS. THOSE INDIVIDUALS  
17 IDENTIFIED BY THE APPLICANT WOULD NOT BE PERMITTED  
18 TO REVIEW THE APPLICANT'S APPLICATION.

19 WE ALSO HAVE TAKEN ANOTHER LOOK AT  
20 PERSONAL CONFLICTS OF INTEREST. UNDER THE EXISTING  
21 POLICY, A MEMBER IS DEEMED TO BE IN CONFLICT IF HE  
22 OR SHE HAS HAD A LONG-STANDING PERSONAL DIFFERENCE  
23 WITH THE APPLICANT. AS WITH THE LONG-STANDING  
24 PROFESSIONAL DIFFERENCES PROVISION, THIS PARTICULAR  
25 PROVISION IS VERY DIFFICULT TO APPLY BECAUSE IT'S SO

BARRISTERS' REPORTING SERVICE

1 SUBJECTIVE. SHORT OF SOME FORMAL DISPUTE, IT'S  
2 OFTEN DIFFICULT TO DETERMINE WHETHER PERSONAL  
3 DIFFERENCES EXIST.

4 IN ADDITION, AS WITH THE PROFESSIONAL  
5 CONFLICTS, NIH DOES NOT HAVE AN ANALOGOUS PROVISION.  
6 AS A RESULT, WE WOULD PROPOSE TO LIMIT PERSONAL  
7 CONFLICTS OF INTEREST TO SITUATIONS WHERE THE  
8 REVIEWER AND APPLICANT HAS BEEN ON OPPOSING SIDES OF  
9 A FORMAL LEGAL DISPUTE BECAUSE IT PRESENTS AN  
10 OBJECTIVE BRIGHT LINE THAT WE CAN EASILY REVIEW AND  
11 DETERMINE.

12 ALSO, AS I MENTIONED WITH RESPECT TO  
13 PROFESSIONAL CONFLICTS, THE OTHER TWO OTHER CHANGES  
14 WE PROPOSE TO INTRODUCE, WE BELIEVE, WOULD HELP TO  
15 ADDRESS SITUATIONS WHERE A PERSON MAY HAVE A  
16 PERSONAL DISLIKE FOR AN APPLICANT, IN WHICH CASE WE  
17 WOULD REQUIRE THAT REVIEWER TO RECUSE HIMSELF OR  
18 HERSELF FROM REVIEWING THE APPLICATION IN QUESTION.  
19 AND LIKEWISE, WE WOULD ALLOW APPLICANTS TO IDENTIFY  
20 UP TO THREE INDIVIDUALS WHOM THE APPLICANT BELIEVES  
21 MAY BE BIASED, AND THIS WOULD INCLUDE FOR PERSONAL  
22 REASONS.

23 FINALLY, WE PROPOSE TO CLARIFY THE POLICY  
24 BY DEFINING SOME OF THE KEY TERMS. THIS, BY THE  
25 WAY, WILL ALSO HELP US WITH CIRM 2.0 BECAUSE WE'RE

BARRISTERS' REPORTING SERVICE

1 SIMULTANEOUSLY IDENTIFYING WHAT INFORMATION WE WANT  
2 TO COLLECT THROUGH THE APPLICATION. AND BY CLEARLY  
3 DEFINING TERMS SUCH AS KEY PERSONNEL, SUBCONTRACTOR,  
4 AND PARTNER, IT WILL ALLOW US TO MORE READILY  
5 COLLECT THIS INFORMATION. BUT THESE DEFINITIONS  
6 WILL ALSO ASSIST BOTH THE REVIEWERS AND THE  
7 APPLICANTS IN IDENTIFYING POTENTIAL CONFLICTS AND  
8 WILL, WE HOPE, FACILITATE OUR ADMINISTRATION OF THE  
9 POLICY.

10 SO WE WOULD REQUEST THAT THE BOARD  
11 APPROVE -- EXCUSE ME -- THAT THE GRANTS WORKING  
12 GROUP RECOMMEND THAT THE BOARD APPROVE INITIATING  
13 THE ADMINISTRATIVE RULEMAKING PROCESS, WHICH WOULD  
14 ALLOW US TO PRESENT THESE PROPOSED AMENDMENTS FOR  
15 PUBLIC COMMENT. I'D BE HAPPY TO ANSWER ANY  
16 QUESTIONS.

17 MR. TORRES: MADAM CHAIR.

18 CHAIRMAN LANSING: YES.

19 MR. TORRES: I HAVE A QUESTION OF MR.  
20 HARRISON.

21 CHAIRMAN LANSING: PLEASE.

22 MR. TORRES: SO IT'S SAFE TO SAY THAT  
23 THESE PROPOSED CONFLICT OF INTEREST REGULATIONS ARE  
24 STRONGER THAN NIH'S?

25 MR. HARRISON: YES. WE BELIEVE THEY ARE

BARRISTERS' REPORTING SERVICE

1 STRONGER IN TWO WAYS. FIRST, WE BELIEVE THEY ARE  
2 MORE CLEAR AND, HENCE, EASIER TO APPLY AND,  
3 THEREFORE, TO CAPTURE CONFLICTS. AND SECONDLY, THEY  
4 GO FURTHER THAN THE NIH RULES BY EXPANDING THE SCOPE  
5 OF FINANCIAL INTERESTS AND BY INCLUDING CERTAIN  
6 PROFESSIONAL AND PERSONAL CONFLICTS THAT AREN'T  
7 COVERED BY NIH'S RULES.

8 MR. TORRES: SO IS IT SAFE TO SAY THAT  
9 THESE ARE THE STRONGEST AND MORE STRINGENT CONFLICT  
10 OF INTEREST RULES IN THE NATION?

11 MR. HARRISON: WELL, THAT WOULD BE  
12 DIFFICULT TO ANSWER. WE THINK THEY'RE VERY STRONG.  
13 WE HAVE TO COMPARE THEM AGAINST ALL THE OTHER  
14 CONFLICT RULES THAT EXIST, BUT THEY ARE, FOR  
15 EXAMPLE, SENATOR TORRES, STRONGER THAN THE STATE  
16 RULES BECAUSE THEY'RE NOT LIMITED TO FINANCIAL  
17 CONFLICTS AS STATE LAW PROVIDES. AND IT WOULD  
18 CAPTURE BOTH PROFESSIONAL AND PERSONAL CONFLICTS.

19 MR. TORRES: SO IT'S SAFE TO SAY THAT THIS  
20 BOARD IS ABOUT TO APPROVE REGULATIONS REGARDING  
21 CONFLICTS OF INTEREST WHICH ARE STRONGER THAN ANY  
22 OTHER STATE AGENCY CURRENTLY HAS?

23 MR. HARRISON: THAT WOULD BE CORRECT.

24 MR. TORRES: ALL RIGHT. SECONDLY, THE  
25 WORD "CAPTURE" CONCERNS ME. WHEN YOU BEGIN TO LOOK



BARRISTERS' REPORTING SERVICE

1 AT THE DEFINITION OF PERSONAL CONFLICTS OF INTEREST,  
2 YOU LIMIT THE AMOUNT OF PEOPLE THAT AN APPLICANT MAY  
3 PROVIDE TO THREE. WHAT IF ONE OF THOSE THREE PEOPLE  
4 DECIDES THAT THAT'S NOT THE CASE? IS THERE GOING TO  
5 BE A PROCESS THAT WE IMPLEMENT TO DETERMINE AND  
6 ARBITRATE WHETHER THE CONCLUSIONS ARE CORRECT OR  
7 MERELY PERSONAL FEUDS THAT WE WOULD NEVER BE ABLE TO  
8 LOGISTICALLY OR FAIRLY DETERMINE?

9 MR. HARRISON: SO WE VIEW THIS CONFLICTS  
10 SCREEN NOT NECESSARILY AS IDENTIFYING ACTUAL  
11 CONFLICTS; BUT, INSTEAD, WE VIEW IT AS AKIN TO  
12 GIVING THE APPLICANTS A PEREMPTORY CHALLENGE. THAT  
13 IS, THEY CAN IDENTIFY INDIVIDUALS WHOM THEY BELIEVE  
14 FOR WHATEVER REASON TO HAVE A BIAS.

15 MR. TORRES: SO WE'RE INSTITUTING VOIR  
16 DIRE AS IN JURY INSTRUCTIONS?

17 MR. HARRISON: SIMILAR TO THAT, YES.

18 MR. TORRES: ALL RIGHT. SECONDLY, THEN,  
19 AT WHAT POINT DOES AN INDIVIDUAL HAVE THE RIGHT TO  
20 BRING UP ANOTHER NAME THAT THEY MAY NOT HAVE BROUGHT  
21 UP INITIALLY? IS THAT FOR THE APPEAL PROCESS AS  
22 WE'VE SEEN HAPPEN ON A NUMBER OF OCCASIONS?

23 MR. HARRISON: CORRECT. SO APPLICANTS  
24 WOULD BE LIMITED TO PRESENTING THREE NAMES. UNDER  
25 OUR CURRENT APPEAL PROCESS, IF THEY BELIEVE THAT A

BARRISTERS' REPORTING SERVICE

1 REVIEWER WHO PARTICIPATED IN THE REVIEW OF THE  
2 APPLICATION HAD A FINANCIAL, PROFESSIONAL OR  
3 PERSONAL CONFLICT, THEN THE APPLICANT COULD SUBMIT  
4 AN APPEAL IN WHICH THEY WOULD HAVE TO SHOW BOTH A  
5 DEMONSTRABLE CONFLICT AND THAT THE CONFLICT  
6 ADVERSELY AFFECTED THE REVIEW OF THE APPLICATION.

7 MR. TORRES: SO THE APPLICANT WILL NOT BE  
8 BARRED FROM RAISING OTHER INDIVIDUALS WHO MAY HAVE  
9 BEEN ON THE REVIEW TEAM AS A LATER DETERMINATION  
10 THAT THEY MAY HAVE A CONFLICT BECAUSE OF PERSONAL OR  
11 PROFESSIONAL REASONS?

12 MR. HARRISON: THAT'S CORRECT.

13 MR. TORRES: THANK YOU, MADAM CHAIR.

14 CHAIRMAN LANSING: CAN I HAVE OTHER  
15 QUESTIONS, PLEASE?

16 MR. SHEEHY: THIS IS JEFF. COULD I ASK A  
17 COUPLE OF QUESTIONS?

18 CHAIRMAN LANSING: ABSOLUTELY.

19 MR. SHEEHY: SO, JAMES, FIRST OF ALL,  
20 WHAT'S THE GENESIS OF THIS? I MEAN WHY DID WE START  
21 DOWN THIS ROAD?

22 MR. HARRISON: JEFF, WE STARTED DOWN THIS  
23 ROAD FOR TWO REASONS. FIRST, WE HADN'T TAKEN A  
24 FRESH LOOK AT THESE RULES SINCE 2008, AND IT SEEMED  
25 APPROPRIATE TO REASSESS GIVEN THAT LAPSE OF TIME.

BARRISTERS' REPORTING SERVICE

1 SECOND, IN APPLYING THE RULES, WE HAVE  
2 IDENTIFIED SEVERAL INSTANCES EITHER WHERE THERE WERE  
3 AMBIGUITIES OR WHERE WE THOUGHT, FOR EXAMPLE, THAT  
4 THE RULES DIDN'T GO FAR ENOUGH IN CAPTURING  
5 CONFLICTS, FOR EXAMPLE, BY INCLUDING SUBCONTRACTORS  
6 AND PARTNERS WITHIN THE SCOPE OF FINANCIAL  
7 CONFLICTS, AND AT THE SAME TIME WE'VE IDENTIFIED  
8 OTHER INSTANCES WHERE THE RULES APPLY TO A SITUATION  
9 THAT DOES NOT APPEAR TO PRESENT A TRUE CONFLICT.  
10 FOR EXAMPLE, IF A REVIEWER HAS BEEN ONE OF MANY  
11 AUTHORS ON REVIEW ARTICLES ALONG WITH THE PI ON AN  
12 APPLICATION, WE'VE TREATED THAT AS CONFLICT EVEN  
13 THOUGH THE REVIEWER AND THE APPLICANT MAY HAVE HAD  
14 NO CONNECTION WHATSOEVER OTHER THAN THE FACT THEY'RE  
15 TWO OF MANY AUTHORS OF A REVIEWER ARTICLE. IN OTHER  
16 WORDS, A SITUATION WHERE THEY DIDN'T SUBSTANTIVELY  
17 ENGAGE IN RESEARCH OR A COLLABORATIVE PROJECT WITH  
18 ONE ANOTHER.

19 SO FOR ALL OF THOSE REASONS, WE THOUGHT IT  
20 WOULD BE SENSIBLE TO REVIEW THE RULES TO MAKE SURE  
21 THAT THEY WERE CLEAR AND TO MAKE SURE THAT WE WERE  
22 CAPTURING REAL CONFLICTS.

23 MR. SHEEHY: SO WHO IS WE?

24 MR. HARRISON: SO THE TEAM THAT ENGAGED IN  
25 THE REVIEW INCLUDED SCOTT TOCHER, GIL SAMBRANO,

BARRISTERS' REPORTING SERVICE

1 BECKY JORGENSEN, AND MYSELF.

2 MR. SHEEHY: I KNOW, BUT I MEAN THIS IS  
3 THE SECOND TIME THIS HAS COME TO US, SO I'M REALLY  
4 TRYING TO GET TO THE GENESIS BECAUSE I DON'T  
5 REMEMBER THE BOARD IDENTIFYING THIS AS A PROBLEM.  
6 JUST TRYING TO BE CLEAR ABOUT PROCESS ON HOW WE GO  
7 CHANGING GRANTS WORKING GROUP BYLAWS. I REMEMBER A  
8 PRIOR MEETING WHERE THIS SUBJECT WAS BROUGHT UP, AND  
9 THE INTENT WAS TO WEAKEN OUR CONFLICT OF INTEREST  
10 RULES. SO THIS -- SO I'M JUST VERY CONFUSED. I'M  
11 NOT -- IT'S NOT TO SAY I'M OPPOSED TO THIS, BUT I  
12 DIDN'T UNDERSTAND WHY THE ORIGINAL AMENDMENTS WERE  
13 MADE, AND I DIDN'T UNDERSTAND THE GENESIS FOR THOSE.  
14 AND IT WAS CLEAR TO ME, I THINK, IF I REMEMBER  
15 CORRECTLY, AT THAT MEETING THAT THE IMPETUS WAS TO  
16 WEAKEN OUR CONFLICT OF INTEREST RULES, AND NOW IT  
17 SEEMS LIKE WE'VE GOT A DIFFERENT PROCESS THAT SEEMS  
18 TO BE MAKING OUR RULES STRONGER. SO THAT'S PERHAPS  
19 THE SOURCE OF MY CONFUSION. THERE'S NOT A LOT  
20 OF -- THERE'S NOT A LINEAR RELATIONSHIP BETWEEN THE  
21 TWO EVENTS. DOES THAT MAKE SENSE?

22 MR. HARRISON: SO I THINK I UNDERSTAND  
23 WHAT YOU'RE SAYING. SO THERE WAS A PROCESS  
24 OBVIOUSLY THAT PRECEDED THE PRESENTATION IN 2013,  
25 AND THOSE PROPOSED AMENDMENTS ARE VERY DIFFERENT

BARRISTERS' REPORTING SERVICE

1 THAN THE ONES THAT WE PRESENTED TODAY. I BELIEVE  
2 PART OF THE IMPETUS FOR THOSE PROPOSED CHANGES WAS  
3 ALSO TO TRY TO BRING OUR RULES UP TO DATE, CONFORM  
4 THEM WHERE POSSIBLE WITH NIH RULES, AND TO TRY TO  
5 MAKE THEM MORE CLEAR.

6 BUT AS I SAID AT THE OUTSET, WHEN THOSE  
7 PROPOSED CHANGES WERE PRESENTED TO THE BOARD LATE IN  
8 2013, YOU AND OTHER BOARD MEMBERS RAISED A NUMBER OF  
9 VERY VALID QUESTIONS AND ASKED US TO GO BACK TO THE  
10 DRAWING BOARD. SO A NEW TEAM WAS ASSEMBLED, AND WE  
11 WENT ABOUT THE TASK OF TRYING TO ENSURE THAT THE  
12 RULES WERE BOTH CLEAR, STRONG, AND APPROPRIATE IN  
13 THE SENSE THAT WE WANTED TO MAKE SURE THAT THEY  
14 DIDN'T CAPTURE THINGS THAT DIDN'T REALLY PRESENT  
15 CONFLICTS.

16 MR. SHEEHY: TO BE CLEAR, I THINK MY VIEW  
17 AT THE TIME WAS NOT TO MAKE ANY CHANGES, BUT --  
18 THAT'S, AGAIN, NOT TO SAY THAT I'M OPPOSED TO THIS.  
19 I'M JUST TRYING TO FIGURE OUT HOW SOME OF THESE  
20 THINGS HAPPEN.

21 SO CAN YOU KIND OF WALK ME THROUGH THE  
22 STRENGTHENING OF THE PARTNER AND SUBCONTRACTOR? I  
23 DON'T REALLY UNDERSTAND THAT AND JUST WHAT THEY  
24 MEAN. AND IF THERE'S ANY REAL WORLD EXAMPLES THAT  
25 YOU CAN GIVE BECAUSE I'M TRYING TO UNDERSTAND HOW

BARRISTERS' REPORTING SERVICE

1 THAT DIFFERS FROM WHAT WE DO NOW WHERE I THINK THAT  
2 WE'RE CAPTURING THOSE ALREADY.

3 MR. HARRISON: SURE. SO LET ME ADDRESS  
4 THAT. CURRENTLY OUR RULES WITH RESPECT TO FINANCIAL  
5 CONFLICTS OF INTEREST REALLY ARE LIMITED TO A  
6 SITUATION WHERE THE GWG MEMBER HAS A FINANCIAL TIE  
7 TO THE APPLICANT INSTITUTION OR WHERE THE REVIEWER  
8 STANDS TO BENEFIT DIRECTLY FROM AN APPLICATION UNDER  
9 REVIEW; SO, FOR EXAMPLE, WHERE THE REVIEWER IS A  
10 PROPOSED CONSULTANT ON THE APPLICATION. THOSE  
11 CURRENT DEFINITIONS DO NOT INCLUDE, FOR EXAMPLE, A  
12 SITUATION WHERE YOU HAVE A MAJOR SUBCONTRACTOR WHO  
13 IS PROPOSED TO BE INVOLVED IN THE APPLICATION AND  
14 WHO IS CONTRIBUTING -- IS EXPECTED TO CONTRIBUTE  
15 SCIENTIFICALLY TO THE PROPOSED PROJECT. LIKEWISE,  
16 THEY DON'T INCLUDE A SITUATION, FOR EXAMPLE, WHERE  
17 THE APPLICANT HAS A CO-FUNDER SUCH AS A COMPANY WITH  
18 WHICH IT HAS A DEVELOPMENT AGREEMENT WITH RESPECT TO  
19 THE SAME PROJECT SUCH THAT THE COMPANY PROMISES  
20 MONEY IN RETURN FOR SOME FUTURE FINANCIAL BENEFIT IF  
21 THE PROJECT IS SUCCESSFUL. SO WE WANTED TO MAKE  
22 SURE TO CAPTURE THOSE SITUATIONS.

23 WE HAVE BEEN TRYING TO ADDRESS THOSE AS  
24 THEY COME UP, BUT IT HASN'T BEEN A FORMAL PART OF  
25 OUR POLICY. AND FOR THAT REASON, WE WANTED TO AGAIN

BARRISTERS' REPORTING SERVICE

1 CLARIFY THE POLICY AND INCLUDE THOSE TYPES OF  
2 FINANCIAL RELATIONSHIPS EXPLICITLY WITHIN THE SCOPE  
3 OF THE POLICY.

4 MR. SHEEHY: OKAY. THANK YOU, JAMES.

5 CHAIRMAN LANSING: ARE THERE ANY OTHER  
6 QUESTIONS?

7 CHAIRMAN THOMAS: I'VE GOT A COUPLE.

8 JAMES, HOW JUST HISTORICALLY WE WERE SUPPOSED TO  
9 CONFORM TO NIH GUIDELINES ON THESE MATTERS. HOW DID  
10 WE HAVE MORE THAN ONE ISSUE HERE THAT WASN'T IN THE  
11 NIH CONFLICT GUIDELINES? HOW DID WE EVER GET TO  
12 THAT POSITION TO BEGIN WITH?

13 MR. HARRISON: SO, FIRST, OUR RULES ARE  
14 SUPPOSED TO BE MODELED ON THE NIH'S RULES. SO WE'RE  
15 NOT -- WE'RE NOT BOUND BY THE FOUR CORNERS OF THE  
16 NIH POLICY. I WAS NOT INVOLVED IN THE DRAFTING OF  
17 THESE ORIGINAL RULES, NOR AM I FAMILIAR WITH WHAT  
18 THE NIH POLICY COVERED IN 2004 AND 2005 WHEN THESE  
19 RULES WERE WRITTEN. SO I CAN'T PERSONALLY EXPLAIN  
20 THE DISCREPANCY. I SUSPECT IT WAS AN ATTEMPT TO GO  
21 BEYOND WHAT NIH DID AND TO CAPTURE OTHER TYPES OF  
22 PERCEIVED CONFLICTS.

23 CHAIRMAN THOMAS: OKAY. ON THE ISSUE OF  
24 HOW MANY PEREMPTORY CHALLENGES YOU'RE ALLOWED, IS  
25 THERE A REASON TO LIMIT IT TO A CERTAIN NUMBER?

BARRISTERS' REPORTING SERVICE

1 WELL, YOU MIGHT WANT TO SAY YOU CAN'T HAVE ANY.  
2 ONCE YOU START GETTING INTO SOME, IT SEEMS TO ME  
3 WHAT YOU DON'T WANT TO HAVE IS A SITUATION WHERE YOU  
4 IDENTIFY A, B, AND C AND THEN THERE'S A REVIEW AND  
5 THEN YOU GO BACK AND APPEAL ON D WHO YOU DIDN'T  
6 MENTION FOR WHATEVER REASON.

7 DR. MILLS: I THINK, JAMES, IF I MAY, I  
8 WANT TO KIND OF TAKE A SHOT AT THIS. THE PEREMPTORY  
9 CHALLENGES AREN'T FOR PEOPLE THAT HAVE A CONFLICT.  
10 WE HAVE A CONFLICT POLICY. AND ANYONE WHO HAS A  
11 CONFLICT BY DEFINITION ISN'T GOING TO BE ON THE --  
12 ISN'T GOING TO BE PART OF THIS REVIEW. THIS ALLOWS  
13 AN ORGANIZATION OR AN APPLICANT THAT LOOKS AT OUR  
14 POLICY AND SAYS I SEE YOUR POLICY, I UNDERSTAND YOUR  
15 POLICY, BUT I JUST THINK THIS PERSON FOR SOME REASON  
16 OR ANOTHER, EVEN THOUGH THEY DON'T HAVE A CONFLICT,  
17 I JUST DON'T WANT THEM. AND SO THIS IS ABOVE AND  
18 BEYOND KIND OF OPPORTUNITY.

19 BUT ANYONE THAT ACTUALLY HAS A CONFLICT WE  
20 WILL NOT ALLOW ON THE REVIEW. SO THIS ISN'T -- THIS  
21 ISN'T FOR IDENTIFYING PEOPLE THAT HAVE CONFLICTS.  
22 THIS IS FOR IDENTIFYING PEOPLE THAT DON'T HAVE  
23 CONFLICTS, BUT YOU STILL DON'T WANT ON THE REVIEW.  
24 DID I GET THAT RIGHT, JAMES?

25 MR. HARRISON: YOU DID. J.T., THERE MAY



BARRISTERS' REPORTING SERVICE

1 BE INSTANCES WHERE AN APPLICANT ALLEGES THAT A  
2 REVIEWER HAS A CONFLICT. AND IF SO, WE WILL REVIEW  
3 THAT. BUT AS RANDY SAID, UNDER THIS POLICY A  
4 REVIEWER IS REQUIRED TO DISCLOSE ANYTHING THAT WE'VE  
5 IDENTIFIED AS A CONFLICT IN THIS POLICY AND WE WILL  
6 RECUSE THEM FROM THE REVIEW IF THEY'VE DONE SO. SO  
7 THIS WON'T NECESSARILY OBTVIATE APPEALS; BUT BY  
8 MAKING THE POLICY MORE OBJECTIVE, WE HOPE TO LIMIT  
9 IT.

10 MR. TORRES: THAT DOESN'T REMOVE THE  
11 DISCRETIONARY AUTHORITY OF THIS AGENCY TO DECIDE  
12 THAT THIS CONFLICT IS NOT APPROPRIATE TO RAISE.

13 MR. SHEEHY: I THINK, SENATOR TORRES, IT'S  
14 NOT ABOUT RAISING CONFLICTS. IT'S JUST BASICALLY  
15 STRIKING UP TO THREE MEMBERS OF THE WORKING GROUP  
16 FROM BEING ABLE TO REVIEW. AND I THINK THAT'S A  
17 MUCH CLEANER WAY FROM MY PERSPECTIVE HAVING SEEN  
18 OVER THE YEARS PROFESSIONAL OR PERSONAL CONFLICTS  
19 RAISED RATHER THAN HAVE TO ADJUDICATE THOSE. AND  
20 SCIENTISTS DO HAVE DEEP AND LONG-STANDING  
21 DIFFERENCES OF OPINIONS. RATHER THAN HAVE TO  
22 ADJUDICATE THOSE, THIS ALLOWS THE APPLICANT TO JUST  
23 SAY I DON'T THINK I'M GOING TO GET A FAIR HEARING  
24 FROM THIS WITHOUT HAVING TO SAY WHY. JUST TO TAKE  
25 THAT OFF THE TABLE AS OPPOSED TO HAVING TO MAKE SOME

BARRISTERS' REPORTING SERVICE

1 SORT OF DETERMINATION THAT THERE'S EXISTING  
2 CONFLICTS OF THIS NATURE, A PERSONAL OR A  
3 PROFESSIONAL ONE. IT'S NOT GOING TO MEAN THAT WE'RE  
4 NOT GOING TO GET APPEALS, BUT IT SEEMS LIKE A  
5 SIMPLER WAY TO DO IT.

6 MR. TORRES: SO WE'RE BASICALLY GIVING THE  
7 POWER TO THE OFFICER OF THE COURT IN THE FORM OF A  
8 LAWYER TO OBJECT TO A POTENTIAL JUROR WITHOUT HAVING  
9 TO GIVE A REASON.

10 DR. MILLS: WITHOUT CAUSE.

11 DR. STEWARD: I JUST WANTED TO SAY THIS  
12 OUT LOUD BECAUSE I'M THINKING IT. AS JEFF SAYS,  
13 THERE ARE INSTANCES OF LONG-STANDING DIFFERENCES OF  
14 SCIENTIFIC OPINION THAT, IN FACT, MAY INFLUENCE THE  
15 WAY A REVIEWER LOOKS AT AN APPLICATION. BUT IN A  
16 SENSE THAT'S WHY WE HAVE REVIEWERS WHO ARE EXPERTS.  
17 THESE ARE SCIENTIFIC ISSUES ABOUT WHICH THERE CAN BE  
18 GENUINE DIFFERENCES OF OPINION. AND IF WE DON'T LET  
19 THOSE DIFFERENCES OF OPINION BE AIRED, IT'S ACTUALLY  
20 NOT A THOROUGH REVIEW.

21 DR. MILLS: I COULDN'T AGREE MORE.  
22 ACTUALLY I WAS STUNNED TO FIND THAT DISAGREEING WITH  
23 AN APPLICANT WAS GROUNDS FOR DISMISSAL AS A  
24 REVIEWER. THAT TO ME IS UNBELIEVABLE. SO I LIKE  
25 THIS REVISION FOR THAT PURPOSE.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN LANSING: I'D LIKE TO AGREE WITH  
2 THIS ALSO. I THINK WE'RE TRYING VERY HARD TO  
3 ELIMINATE ANY CONFLICT OF INTEREST, AND I THINK SOME  
4 OF THIS CAME FROM PAST INCIDENTS THAT WE HAD. BUT  
5 IF WE GO TOO FAR, THEN WE'RE GIVING THE APPLICANT  
6 THE COMPLETE CONTROL, WHICH I THINK IS A MISTAKE.

7 CAN I HAVE MORE DISCUSSION, PLEASE, ON  
8 THIS?

9 MR. HARRISON: SHERRY, COULD I JUST  
10 CLARIFY ONE THING? THE SCREENING MECHANISM THAT  
11 WE'VE BEEN DISCUSSING IS NOT PART OF THIS CONFLICT  
12 POLICY. THIS WILL BE PRESENTED AS PART OF A  
13 SEPARATE POLICY RELATING TO CIRM 2.0, BUT WE WANTED  
14 TO INFORM YOU OF ITS EXISTENCE SINCE WE VIEW IT AS  
15 SUPPLEMENTING THIS CONFLICT POLICY.

16 CHAIRMAN LANSING: I UNDERSTAND THAT, BUT  
17 I JUST THINK WE'RE ALL EXPRESSING OUR CONCERNS.

18 MR. SHEEHY: WELL, THERE IS ONE OTHER  
19 CONCERN, THOUGH, THAT WE DON'T CAPTURE WITHIN OUR  
20 CONFLICTS POLICY. AND THAT IS COMPETITIVE CONFLICTS  
21 OF INTEREST, WHICH MAY BE AN ISSUE AS WE GET MORE  
22 PROJECTS IN CLINICAL SPACE. ALLOWING THIS SORT OF  
23 CHALLENGE TO REVIEWERS WHO MAY BE ABLE TO OBTAIN A  
24 COMPETITIVE ADVANTAGE BY OR MAY NOT WANT, HOW DO WE  
25 CAPTURE COMPETITIVE CONFLICTS IN AN AREA THIS SMALL?

BARRISTERS' REPORTING SERVICE

1 THIS WOULD ALLOW THAT, RIGHT? BECAUSE WE WOULDN'T  
2 KNOW ON WHAT BASIS. WE WOULD JUST SAY YOU CAN HAVE  
3 UP TO THREE CHALLENGES.

4 I MEAN I SHARE OTHER BOARD MEMBER'S  
5 CONCERNS, BUT I ALSO THINK THAT THERE ARE INSTANCES  
6 WHERE THERE IS SOME TENSIONS THAT ARE NOT CAPTURED  
7 BY OUR EXISTING RULES.

8 MR. TORRES: ARE YOU TALKING ABOUT WHERE  
9 CERTAIN REVIEWERS HAVE RECEIVED OR ASKED FOR  
10 INFORMATION WITHIN A REVIEW THAT MAY BE TO THEIR  
11 COMPETITIVE ADVANTAGE?

12 MR. SHEEHY: I'M NOT TALKING ABOUT  
13 SPECIFIC CASES, BUT YOU CAN IMAGINE A SITUATION  
14 WHERE AN APPLICANT MAY SAY, OH, I'M FROM COMPANY X  
15 AND THERE'S SOMEBODY FROM COMPANY Y WHO'S A DIRECT  
16 COMPETITOR REVIEWING MY GRANT. WE HAVE NO MECHANISM  
17 FOR DOING THAT. AND THEN ALSO WE HAVE SEEN  
18 CIRCUMSTANCES WHERE THERE ARE LONG-STANDING PERSONAL  
19 DIFFERENCES BETWEEN REVIEWERS AND PEOPLE HAVE  
20 EXPRESSED CONCERN THAT THIS INDIVIDUAL JUST DOES NOT  
21 LIKE ME. SO IN BOTH OF THESE INSTANCES, NEITHER ONE  
22 OF THOSE REALLY FALL UNDER OUR CONFLICT OF INTEREST  
23 RULES.

24 AND SO THIS DOES SEEM KIND OF A CATCHALL  
25 MECHANISM TO TRY TO ADDRESS THOSE KINDS OF CONCERNS

BARRISTERS' REPORTING SERVICE

1 WITHOUT HAVING -- I DON'T KNOW HOW ELSE WE CAN DO IT  
2 WOULD JUST BE MY VIEW. AND AGAIN, THAT'S JUST  
3 HAVING LOOKED AT THIS. BUT I ALSO -- THAT WAS THE  
4 FIRST THING THAT JUMPED OUT AT ME WHEN I READ THIS  
5 WAS THAT. SO I DEFINITELY SHARE PEOPLE'S CONCERNS,  
6 AND I THINK ONE PLACE WHERE I'M LEAST COMFORTABLE  
7 WITH SOMEONE EXERCISING THIS WOULD BE IN THE  
8 PROFESSIONAL CONFLICT OF INTEREST WHERE THEY JUST  
9 FUNDAMENTALLY DON'T AGREE WITH THE APPROACH THAT'S  
10 BEING UNDERTAKEN WILL WORK. THOSE ARE THE KINDS OF  
11 THINGS WE NEED TO HEAR.

12 I DON'T KNOW HOW WE ADDRESS THEM.

13 DR. MILLS: I THINK THAT'S PART OF THE --  
14 SO WE LIMIT THE NUMBER OF CHALLENGES TO THREE OUT OF  
15 THE GWG SO IT CAN'T BE ABUSED. SO WE STILL GET --  
16 WE HAVE 15 MEMBERS PLUS PATIENT ADVOCATES IN THE  
17 REVIEW OF THE 22 PEOPLE REVIEWING SOMETHING. AND  
18 HOPEFULLY WE'LL HEAR DISSENT IF IT'S ANYTHING MORE  
19 THAN JUST A SINGLE PERSON DISSENTING.

20 DR. STEWARD: BUT THE PROBLEM, AS WE ALL  
21 KNOW, IS THAT THE UNIVERSE OF REVIEWERS IS NOT  
22 INFINITE. AND IN SOME SITUATIONS ELIMINATING  
23 REVIEWERS REALLY PUTS US INTO A SITUATION WHERE WE  
24 DON'T HAVE THE EXPERTISE IN THAT 15-MEMBER PANEL TO  
25 REALLY HANDLE THE DEEP SCIENCE THAT MIGHT BE THERE.

BARRISTERS' REPORTING SERVICE

1 AND I SAY ALL THAT BECAUSE I JUST WORRY THAT AT SOME  
2 POINT IN TIME WE'RE GOING TO BE LOOKING AROUND THE  
3 ROOM AND TALKING ABOUT AN APPLICATION AND LOOK AT  
4 THE EMPTY CHAIR OF THE PERSON WHO'S RECUSED AND SAY,  
5 OH, MAN, I WISH SO-AND-SO WAS IN THE ROOM.

6 SO WHERE THIS IS GOING, I MEAN THIS WHOLE  
7 THING SHOULD BE A VERY RARE OCCURRENCE. AND SO THE  
8 NUMBER THREE BOTHERS ME. I UNDERSTAND THE PURPOSE,  
9 BUT I WONDER IF WE COULD DO SOMETHING MORE ON THE  
10 LINES OF ONE CHALLENGE BASED ON PERSONAL, ONE  
11 CHALLENGE BASED ON PROFESSIONAL, AND THAT'S IT.

12 MR. SHEEHY: BUT I THINK THE GOAL HERE IS  
13 NOT TO ACTUALLY DEFINE THOSE. I MEAN THAT'S  
14 ALMOST -- THAT'S A SLIPPERY SLOPE.

15 DR. MILLS: THAT DOESN'T MAKE IT SORT OF  
16 THE CONCEPT OF PEREMPTORY, WHICH YOU DON'T NEED TO  
17 GIVE A REASON.

18 MR. SHEEHY: EXACTLY SO WE DON'T GET INTO  
19 A DEBATE ABOUT THAT.

20 DR. STEWARD: OKAY. HOW ABOUT ONE TOTAL?  
21 THE REASON I'M PROPOSING THAT IS THAT IT WOULD BE  
22 REMARKABLE IF SOMEBODY SAID, OH, THERE ARE THREE  
23 PEOPLE ON THIS VERY HIGHLY EDUCATED, HIGHLY REGARDED  
24 GROUP OF REVIEWERS THAT I DON'T FEEL SHOULD REVIEW  
25 THIS GRANT. I MEAN THAT'S NUTS. I'M SORRY.

BARRISTERS' REPORTING SERVICE

1 DR. VUORI: SO, OS, THIS IS KRISTINA. I  
2 THINK I AGREE WITH YOU, THAT THERE WOULD BE MAYBE  
3 UNINTENDED CONSEQUENCE WITH AN APPLICANT TO SORT OF  
4 REFUSE OR ABUSE THE SYSTEM TO STRIKE OUT ANYBODY  
5 FROM THE PANEL WHO HAS ANY EXPERTISE IN YOUR FIELD.  
6 IT'S SMOKE AND MIRRORS.

7 CHAIRMAN LANSING: I'M A LITTLE CONFUSED  
8 AND MAYBE -- I UNDERSTAND WHAT WE'RE SAYING. SO  
9 THEY GIVE THESE NAMES, ONE, TWO, THREE, AND THEY  
10 DON'T HAVE TO GIVE ANY REASON, AND WE HAVE TO ACCEPT  
11 THEM. ISN'T A BETTER PROCESS WHERE WE HAVE AN  
12 INDEPENDENT COMMITTEE THAT'S NOT ON THE GRANTS  
13 REVIEW TO SEE WHETHER WHAT THEY GAVE IS ACCEPTABLE  
14 OR NOT?

15 MR. HARRISON: SO, SHERRY, CAN I TRY TO  
16 ADDRESS THAT? PART OF THE CHALLENGE WE'VE HAD IN  
17 APPLYING BOTH THE PROFESSIONAL AND PERSONAL CONFLICT  
18 OF INTEREST RULES IN PARTICULAR IS THE SUBJECTIVITY  
19 OF THOSE RULES. IT'S OFTEN VERY DIFFICULT FOR US TO  
20 DETERMINE WHETHER REVIEWER X HAS PERSONAL ENMITY  
21 TOWARD APPLICANT Y OR WHETHER A DIFFERENCE OF  
22 SCIENTIFIC OPINION HAS LASTED SO LONG THAT IT HAS  
23 CROSSED THE LINE INTO WHAT WE DEFINE AS A  
24 PROFESSIONAL CONFLICT OF INTEREST. SO TO TRY TO  
25 ELIMINATE THAT OBJECTIVITY WHILE STILL HEEDING THE

BARRISTERS' REPORTING SERVICE

1 CONCERNS THAT SUCH SITUATIONS CAN CREATE REAL BIAS,  
2 WE'VE DONE TWO THINGS. ONE, WE WITH THIS PROPOSED  
3 POLICY CHANGE WOULD REQUIRE OUR REVIEWERS TO  
4 IDENTIFY A SITUATION WHERE THE REVIEWER HIM OR  
5 HERSELF BELIEVES THAT --

6 CHAIRMAN LANSING: THAT I DON'T THINK ANY  
7 OF US HAVE ANY PROBLEM WITH. IF THE REVIEWER  
8 SELF-IDENTIFIES, WHICH I'M USED TO DOING, SO THAT'S  
9 DIFFERENT THAN THE APPLICANT SAYING I THINK THAT  
10 SHERRY IS AGAINST ME. DO YOU KNOW WHAT I'M SAYING?

11 MR. HARRISON: RIGHT. OF COURSE. AND  
12 THAT, AS RANDY POINTED OUT, WE'RE NOT CONCEDED THAT  
13 THE APPLICANT IS CORRECT, THAT THERE'S A CONFLICT.  
14 WE'RE SIMPLY GIVING THEM THE CHANCE TO IDENTIFY UP  
15 TO THREE INDIVIDUALS WHOM THE REVIEWER BELIEVES  
16 COULD BE BIASED. SO IT'S AN EFFORT TO TRY TO  
17 BALANCE.

18 CHAIRMAN LANSING: SO THAT MAY BE -- WHAT  
19 I'M REALLY STRUCK BY IS WHAT OS AND OTHER PEOPLE  
20 HAVE SAID. SO YOU HAVE A HEALTHY SCIENTIFIC  
21 DIFFERENCE, WHICH IS EXACTLY HOW WE EVALUATE THESE  
22 GRANTS IS BY HEALTHY SCIENTIFIC DIFFERENCES. YOU  
23 ELIMINATE THREE PEOPLE, YOU'RE STACKING THE DECK IN  
24 YOUR FAVOR AS AN APPLICANT. AND I DON'T THINK THE  
25 APPLICANT SHOULD HAVE THE RIGHT TO DO THAT. I'M



BARRISTERS' REPORTING SERVICE

1 SORRY. I'M REALLY CONCERNED WITH THAT AREA. ARE  
2 YOU PUTTING THREE NEW PEOPLE IN THAT WE CHOOSE?

3 DR. MILLS: SHERRY, I THINK WHILE FRAMED  
4 LIKE THAT, IT MIGHT NOT SOUND GOOD, BUT HERE'S WHERE  
5 I THINK WHY THIS IS REALLY GOOD. RIGHT NOW THE WAY  
6 THE POLICY READS, IF YOU HAVE A DISAGREEMENT, THAT  
7 CAN BE INTERPRETED AS A STRICT CONFLICT NOW. AND  
8 NOT JUST THAT PERSON, BUT ANYONE, ALL OF THEM THAT  
9 DISAGREE WOULD BE THROWN OUT.

10 SO WE'RE ACTUALLY -- RIGHT NOW UNDER OUR  
11 CURRENT POLICY, DISAGREEING WITH THE APPROACH THAT  
12 THE APPLICANT IS TAKING IS A STRICT CONFLICT. SO  
13 WE'RE ELIMINATING THAT. SO IMMEDIATELY THAT'S  
14 GETTING BETTER.

15 THE SECOND THING IS SO WE'RE SAYING YOU'RE  
16 ALLOWED TO HAVE THREE PEREMPTORY CHALLENGES, AND  
17 WHILE IT MIGHT NOT SOUND GOOD, YOU COULD HAVE THREE  
18 PEOPLE, IT'S OUT OF A POOL OF OVER A HUNDRED FIFTY  
19 THAT WE PULL FROM.

20 CHAIRMAN LANSING: OKAY. OKAY.

21 DR. MILLS: SO WE'VE GOT OTHER PEOPLE TO  
22 COME FROM.

23 AND THEN WITH REGARDS TO WHY THREE VERSUS  
24 ONE, I THINK THAT IS BECAUSE WE'RE TRYING TO ADDRESS  
25 A COUPLE OF ISSUES. AND WE'RE GETTING HUNG UP RIGHT

BARRISTERS' REPORTING SERVICE

1 NOW WITH REGARDS TO THIS SORT OF PROFESSIONAL  
2 CONFLICT, THIS PERSON MAY DISAGREE OR MAY NOT LIKE  
3 THAT PERSON. THERE IS ACTUALLY TENTATIVELY A  
4 SITUATION, THOUGH, WHERE THERE THEORETICALLY COULD  
5 BE THREE INVESTIGATORS OF YOUR COMPANY, LITERALLY A  
6 COMPANY THAT THERE'S THREE RIVALS IN THAT SPACE,  
7 WHERE IT WOULD BE VERY DIFFICULT FOR THOSE PEOPLE TO  
8 ESSENTIALLY UNLEARN WHAT THEY WOULD SEE IN THE  
9 REVIEW. BUT I THINK IN THE CONTEXT OUT OF A HUNDRED  
10 FIFTY AND THE FACT THAT RIGHT NOW WE WOULDN'T BE  
11 ABLE TO USE ANY OF THEM IS AN IMPROVEMENT. IS IT  
12 PERFECT? NO. THIS IS A HARD THING TO DEAL WITH.

13 CHAIRMAN LANSING: I FEEL MORE COMFORTABLE  
14 WITH THIS EXPLANATION. THANK YOU.

15 DR. STEWARD: I DO HAVE ONE OTHER QUESTION  
16 THEN WHICH IS PROCEDURAL. AT WHAT POINT WOULD THIS  
17 EXCLUSION OCCUR, AFTER THE FORMULATION OF THE FINAL  
18 REVIEW GROUP OR --

19 DR. MILLS: NO. GIL, DO YOU WANT TO --

20 DR. SAMBRANO: SO THIS IS INFORMATION THAT  
21 WE WOULD COLLECT AT THE TIME OF APPLICATION. AND I  
22 WANT TO SAY THAT THIS IS NOT DISSIMILAR TO THE  
23 PRACTICE THAT NIH CURRENTLY HAS. SO FOR ANY REVIEW,  
24 AN APPLICANT OFFERS IN THE FORM OF A LETTER WITH  
25 THEIR APPLICATION INDIVIDUALS OR COMPANIES THAT THEY

BARRISTERS' REPORTING SERVICE

1 BELIEVE WOULD HAVE A BIAS, AND THEY DON'T SPECIFY IT  
2 AS BEING A CONFLICT, BUT THAT THEY FEEL WOULD BE IN  
3 A WAY BIASED AGAINST THEIR APPLICATIONS AND THEY  
4 IDENTIFY THEM. AND THEN WHETHER OR NOT THOSE  
5 COMPANIES OR INDIVIDUALS ARE REMOVED FROM THE STUDY  
6 SECTION AT NIH IS UP TO THE REVIEW OFFICERS. AND SO  
7 THERE'S NO LIMIT IN TERMS OF THE NUMBERS THAT ARE  
8 PROVIDED. I THINK HERE WE'RE JUST TAKING THE SAME  
9 IDEA AND CREATING A STRUCTURE AROUND IT THAT LIMITS  
10 IT TO THREE. SO IT'S NOT SOMETHING THAT'S  
11 NECESSARILY UNHEARD OF. IT IS PRACTICED TO SOME  
12 EXTENT.

13 CHAIRMAN LANSING: OKAY. ANY MORE  
14 QUESTIONS? ALL RIGHT. SO IF THERE ARE NO  
15 QUESTIONS, THEN I'D LIKE TO SEE IF THERE'S A MOTION  
16 TO RECOMMEND THAT THE BOARD APPROVE THIS AMENDMENT  
17 TO THE GRANTS WORKING GROUP CONFLICT OF INTEREST  
18 POLICY. CAN I HAVE A MOTION?

19 MR. TORRES: SO MOVED.

20 CHAIRMAN LANSING: SECOND?

21 MR. SHEEHY: SECOND.

22 CHAIRMAN LANSING: GREAT. THANKS, JEFF.  
23 SO, SCOTT, WOULD YOU CALL THE ROLL PLEASE. I THINK  
24 THE FIRST ONE WAS ART, WASN'T IT?

25 MR. TORRES: YES.

BARRISTERS' REPORTING SERVICE

1 MR. TOCHER: CORRECT.

2 AL ROWLETT.

3 MR. ROWLETT: YES. AND THANK YOU. THE  
4 DISCUSSION WAS VERY HELPFUL.

5 MR. TOCHER: JEFF SHEEHY.

6 MR. SHEEHY: YES.

7 MR. TOCHER: OS STEWARD.

8 DR. STEWARD: ABSTAIN.

9 MR. TOCHER: THANK YOU.

10 JONATHAN THOMAS.

11 CHAIRMAN THOMAS: YES.

12 MR. TOCHER: ART TORRES.

13 MR. TORRES: AYE.

14 MR. TOCHER: KRISTINA VUORI.

15 DR. VUORI: YES.

16 MR. TOCHER: AND SHERRY LANSING.

17 CHAIRMAN LANSING: WELL, YES. AND THANK  
18 YOU AGAIN. I FOUND THIS DISCUSSION REALLY VERY  
19 ENLIGHTENING.

20 SO I WANT TO THANK ALL OF YOU. THIS IS  
21 REALLY ALL WE HAVE ON OUR AGENDA TODAY. LET THE  
22 RECORD SHOW WE FINISHED 25 MINUTES AHEAD OF TIME.

23 MR. TORRES: HERE. HERE.

24 CHAIRMAN LANSING: SO I KNOW THERE ARE NO  
25 COMMENTS FROM THE PUBLIC. DOES ANYONE FROM THE

BARRISTERS' REPORTING SERVICE

1 SUBCOMMITTEE HAVE ANYTHING THEY WANT TO ADD?

2 MR. TORRES: I JUST WANT TO THANK YOU FOR  
3 YOUR SERVICE AS A REGENT. I JUST DISCOVERED THAT  
4 REGENTS DO NOT RECEIVE --

5 CHAIRMAN LANSING: I JUST WANT TO SAY  
6 REGENTS DO NOT RECEIVE A SINGLE PENNY FOR SERVICE.

7 MR. TORRES: OTHER THAN YOUR EXPENSES TO  
8 TRAVEL.

9 CHAIRMAN LANSING: THAT'S CORRECT. WE GET  
10 OUR EXPENSES TO TRAVEL AND LUNCH IS THERE AT THE  
11 MEETING AND DINNER IS THERE AS WELL.

12 SO ANY OTHER COMMENTS? WELL, THEN, THANK  
13 YOU ALL. I WISH YOU A WONDERFUL THANKSGIVING, AND  
14 THANK YOU FOR YOUR TIME AND YOUR PARTICIPATION, AND  
15 THANK YOU TO EVERYBODY AT CIRM FOR THEIR THOROUGH  
16 VETTING OF ALL THESE ISSUES. WE ARE VERY GRATEFUL.  
17 AND HAPPY THANKSGIVING. AND THE MEETING IS  
18 ADJOURNED.

19 (THE MEETING WAS THEN CONCLUDED.)

20

21

22

23

24

25

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 GOVERNANCE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON NOVEMBER 24, 2014, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CSR 7152  
BARRISTERS' REPORTING SERVICE  
160 S. OLD SPRINGS ROAD  
SUITE 270  
ANAHEIM, CALIFORNIA  
(714) 444-4100