

BETH C. DRAIN, CA CSR NO. 7152

BEFORE THE
JOINT MEETING OF THE
FINANCE SUBCOMMITTEE AND THE SCIENCE 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: VIA ZOOM

DATE: MAY 29, 2025
12 P.M.

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

FILE NO.: 2025-14

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MAY 29, 2025; 12 P.M.

DR. BLUMENTHAL: READY TO GO. LET ME
WELCOME YOU ALL TO THE JOINT MEETING OF THE FINANCE
COMMITTEE AND THE SCIENCE COMMITTEE OF CIRM. I'M
GEORGE BLUMENTHAL. I CHAIR THE FINANCE COMMITTEE.
AND CO-CHAIRING THIS MEETING IS MARK WHO WILL BE
CHAIRING THE SCIENCE PORTION OF THE MEETING.

MAYBE WE CAN BEGIN BY DOING A ROLL CALL TO
SEE WHO'S PRESENT FOR BOTH COMMITTEES. SCOTT, CAN
YOU TAKE CARE OF THAT?

MR. TOCHER: WILL DO. LET'S START WITH
GEORGE BLUMENTHAL.

DR. BLUMENTHAL: HERE.

MR. TOCHER: MARIA BONNEVILLE.

VICE CHAIR BONNEVILLE: PRESENT.

MR. TOCHER: LINDA BOXER. DEBORAH DEAS.
ANNE-MARIE DULIEGE.

DR. DULIEGE: PRESENT.

MR. TOCHER: MARK FISCHER-COLBRIE.

MR. FISCHER-COLBRIE: HERE.

MR. TOCHER: ELENA FLOWERS.

DR. FLOWERS: PRESENT.

MR. TOCHER: JUDY GASSON.

DR. GASSON: HERE.

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1 MR. TOCHER: JEFF GOLDEN.
2 DR. GOLDEN: PRESENT.
3 MR. TOCHER: DAVID HIGGINS.
4 DR. HIGGINS: HERE.
5 MR. TOCHER: VITO IMBASCIANI.
6 CHAIRMAN IMBASCIANI: HERE.
7 MR. TOCHER: PAT LEVITT.
8 DR. LEVITT: PRESENT.
9 MR. TOCHER: CAROLYN MELTZER.
10 DR. MELTZER: PRESENT.
11 MR. TOCHER: CHRIS MIASKOWSKI. JOE
12 PANETTA.
13 MR. PANETTA: HERE.
14 MR. TOCHER: SHAUNA STARK. KAROL WATSON.
15 DR. WATSON: HERE.
16 MR. TOCHER: KEITH YAMAMOTO.
17 DR. YAMAMOTO: HERE.
18 MR. TOCHER: GREAT. THANKS VERY MUCH.
19 GEORGE.
20 DR. BLUMENTHAL: OKAY. SO IF EVERYONE --
21 IF NO ONE OBJECTS, OUR PLAN IS TO CHANGE THE ORDER
22 OF THE AGENDA SLIGHTLY TO FIRST CONSIDER THE
23 RESEARCH BUDGET, THEN CONSIDER THE ADMINISTRATIVE
24 BUDGET, AND THEN GO BACK AND DISCUSS THE NEW AWARD
25 MANAGEMENT POLICY.

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1 SO WE CAN GET THE BUDGETS DONE FOR SURE
2 BEFORE THE END OF THIS MEETING WHICH GOES ON FOR TWO
3 HOURS. AND SO HEARING NO OBJECTION, WE'LL TURN TO
4 THE RESEARCH BUDGET, AND I'LL TURN THE CHAIR OVER TO
5 YOU, MARK.

6 MR. FISCHER-COLBRIE: THANK YOU VERY MUCH,
7 GEORGE. AND WE'RE IN A GREAT TIME RELATED TO BOTH
8 SETTING OF THE BUDGET, THE LAUNCH OF THE STRATEGIC
9 ALLOCATION FRAMEWORK, AND THE ASSOCIATED NEW
10 PROCESSES ASSOCIATED WITH THAT THAT WE'RE VERY
11 EXCITED ABOUT THAT. AND SO WITH THAT, I'D LIKE TO
12 TURN IT OVER TO THE CIRM TEAM AND THE CIRM STAFF TO
13 PRESENT THE BUDGET FOR CONSIDERATION.

14 MS. J. LEWIS: LET ME GET MY PRESENTATION
15 UP HERE. GOOD AFTERNOON, CHAIR FISCHER-COLBRIE AND
16 CHAIR BLUMENTHAL, AND MEMBERS OF THE BOARD, PUBLIC,
17 AND CIRM TEAM. TODAY I'LL BE PRESENTING THE FISCAL
18 YEAR 25/26 BUDGET ALONG WITH MY COLLEAGUE CHIEF
19 SCIENCE OFFICER ROSA CANET-AVILES.

20 AS ALWAYS, WE START WITH OUR MISSION AT
21 CIRM. ACCELERATING WORLD-CLASS SCIENCE TO DELIVER
22 TRANSFORMATIVE REGENERATIVE MEDICINE TREATMENTS IN
23 AN EQUITABLE MANNER TO A DIVERSE CALIFORNIA AND
24 WORLD.

25 IN OUR AGENDA TODAY WE'LL WALK THROUGH THE

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1 TOTAL GRANT FUNDS OVERVIEW PER PROP 14 AND OUR
2 HISTORICAL SPEND. WE'LL TAKE A LOOK BACK AT THE
3 BUDGET THAT WAS APPROVED IN DECEMBER OF 2024 FOR
4 JANUARY THROUGH JUNE, THAT SIX-MONTH BUDGET. THEN
5 WE'LL PIVOT TO SOME OF THE BUDGET CONTEXT SETTING
6 GIVEN THE STRATEGIC ALLOCATION FRAMEWORK FOR THIS
7 PROPOSED BUDGET FOR FISCAL YEAR 25/26.

8 SO THIS SLIDE SHOWS THE GRANT FUNDS
9 OVERVIEW AS OF THE END OF APRIL OF THIS YEAR. WE
10 HAVE 7.72 BILLION TOTAL GRANT FUNDS. TOTAL GRANT
11 FUNDS COVERS BOTH PROP 71 AND PROP 14. AS YOU CAN
12 SEE, THE ENCUMBERED AMOUNT HAS INCREASED TO JUST
13 OVER 4 BILLION AND THE UNENCUMBERED IS 3.64 BILLION.
14 ENCUMBERED MEANS NOT JUST PAID PAYMENTS OUT THE
15 DOOR, BUT ALSO COMMITMENTS THAT THE BOARD HAS MADE
16 AND THAT ARE CONTINUING IN THEIR GRANT LIFE CYCLE.

17 THIS NEXT SLIDE SHOWS SPECIFICALLY
18 PROPOSITION 14. SO PROPOSITION 14 HAS SPECIFIC
19 ALLOCATIONS RELATED TO OUR RESEARCH BUDGET. AS OF
20 APRIL 30TH, THE FIRST COLUMN HERE SHOWS THE
21 COMMITMENT OF 3.4 BILLION THAT IS EARMARKED FOR
22 RESEARCH, THERAPY DEVELOPMENT, AND THERAPY DELIVERY.
23 TO DATE WE HAVE COMMITTED 865 MILLION.

24 THE SECOND BAR IS SHOWING DISEASES OF THE
25 BRAIN AND CENTRAL NERVOUS SYSTEM, WHICH IS 1.38

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1 BILLION. UP TO DATE, 525 MILLION HAS BEEN
2 COMMITTED.

3 AND THE LAST BAR IS SHOWING THE 96 MILLION
4 FOR ACCESS AND AFFORDABILITY. JUST ABOUT 2 MILLION
5 HAS BEEN COMMITTED TO DATE.

6 ADDITIONALLY, THERE ARE TWO EARMARKS THAT
7 ARE UP TO AMOUNTS IN THE PROPOSITION RELATED TO THE
8 RESEARCH -- THAT FIRST BAR, THERAPY DEVELOPMENT AND
9 RESEARCH DEVELOPMENT. THAT FIRST IS THERE IS 26
10 MILLION ALLOCATED TO BUILD AND EQUIP SHARED
11 RESOURCES LABS. AND TO DATE WE HAVE COMMITTED 21
12 MILLION TO THAT EARMARK. AND THE SECOND BAR IS
13 COMMUNITY CARE CENTERS, WHICH IS 78 MILLION. AND TO
14 DATE WE HAVE NOT COMMITTED THOSE FUNDS, BUT YOU WILL
15 SEE THAT EXPLAINED FURTHER IN MY BUDGET PRESENTATION
16 FOR 25/26.

17 AND THEN LASTLY, THIS SLIDE IS SHOWING
18 SINCE JANUARY 2021, SINCE PROP 14 WAS LAUNCHED, THE
19 HISTORICAL BUDGET PERFORMANCE. I'D LIKE TO NOTE
20 THAT IN THE FIRST BAR YOU'LL SEE THAT THE FIRST YEAR
21 THAT COUNTS TOWARD THE PROPOSITION. THE PROPOSITION
22 GIVES SPECIFICS ON A YEARLY BASIS OF HOW MUCH CIRM
23 CAN SPEND. THAT FIRST BAR IS A SHORTER TIMELINE --
24 IT'S NOT A FULL YEAR. IT'S A SIX-MONTH YEAR -- DUE
25 TO THE BRIDGING THAT WAS NEEDED BETWEEN THE TWO

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1 PROPOSITIONS. SO IT'S KIND OF A UNIQUE YEAR
2 COMPARED TO THE OTHERS OR THAT WERE NOT A FULL YEAR.

3 AND AS YOU CAN SEE, THE YELLOW COLUMN IS
4 SHOWING THE COMMITTED FUNDS FOR EACH OF THOSE FISCAL
5 YEARS WHILE THE GREEN IS SHOWING THE UNCOMMITTED.
6 AND THEN FOR FISCAL YEAR 24/25, YOU WILL NOTICE THAT
7 THERE'S A PURPLE PENDING -- THERE'S A SMALL PENDING
8 AMOUNT THAT IS ACTUALLY APPROVAL TODAY.

9 SO NOW I'LL PRESENT THE FISCAL YEAR 24/25
10 JANUARY THROUGH JUNE APPROVED RESEARCH BUDGET. SO
11 THE FIRST COLUMN IS SHOWING THE APPROVED BUDGET,
12 WHICH ALLOCATED 265 MILLION ACROSS CLINICAL,
13 TRANSLATIONAL, DISCOVERY, EDUCATION, AND
14 INFRASTRUCTURE. AS OF TODAY, THERE ARE 143 MILLION
15 COMMITTED THAT WERE APPROVED BY THE APPLICATION
16 REVIEW SUBCOMMITTEE DURING THIS TIME. AND WE ARE
17 ESTIMATED TO FINISH AT 147 MILLION AT THE END OF
18 JUNE. THE ASTERISK IS SHOWING THAT JUST THIS
19 MORNING THE ARS APPROVED ONE ADDITIONAL GRANT, SO
20 NOW THAT WILL BE COMMITTED. SO OUR FINISH FOR THE
21 YEAR WILL BE 147 MILLION.

22 AND THEN THE VARIANCE IS SHOWING 117
23 MILLION. AND I'D LIKE TO WALK YOU THROUGH EACH OF
24 THOSE CATEGORIES TO GIVE AN EXPLANATION OF THAT
25 VARIANCE.

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1 SO FOR CLINICAL THERE IS A VARIANCE OF
2 ABOUT 13.6 MILLION. AND THAT IS DUE TO AWARDS THAT
3 WERE NOT RECOMMENDED FOR FUNDING BY THE GWG GIVEN A
4 TIER III. FOR TRANSLATION THERE IS A BALANCE OF
5 ABOUT 2.5 MILLION.

6 FOR DISCOVERY, I WANTED TO FOCUS ON THAT
7 FOR A SECOND AS DISCOVERY HAS A BALANCE OF 41
8 MILLION. AND THE REASON FOR THAT IS THAT THE
9 MAJORITY OF THOSE FUNDS, 37.1 MILLION, WAS ALLOCATED
10 FOR THE DISCOVERY ZERO ROUND. THAT DISCOVERY ZERO
11 ROUND WAS INTENDED TO HAVE APPLICATIONS COME IN
12 DURING JANUARY THROUGH JUNE, HAVE A GWG, AND BE
13 APPROVED BEFORE THE END OF THE FISCAL YEAR.
14 HOWEVER, DUE TO EARLY IN THE FISCAL YEAR OR EARLY IN
15 THE CALENDAR YEAR, IN JANUARY, IN SOUTHERN
16 CALIFORNIA THERE WERE WILDFIRES.

17 AND DUE TO THE VOLUME OF POTENTIAL
18 APPLICANTS THAT WERE COMING FROM THAT PORTION OF THE
19 STATE, CIRM MADE THE DECISION TO POSTPONE THE
20 APPLICATION SUBMISSION DATE TO ALLOW APPLICANTS
21 ACROSS THE STATE MORE TIME TO APPLY. THEREFORE, THE
22 APPLICATIONS ARE COMING IN, AND THIS ROUND WILL
23 HAPPEN. HOWEVER, THE ACTUAL AWARDS WILL NOT BE
24 APPROVED UNTIL 25/26. SO ESSENTIALLY WHAT YOU'LL
25 SEE WHEN I PRESENT THE PROPOSED BUDGET IS THIS

1 ALLOCATION IN THE NEW PROPOSED BUDGET.

2 FOR EDUCATION THERE IS \$155 REMAINING IN
3 THAT BUDGET. AND FOR INFRASTRUCTURE THERE ALSO IS A
4 LARGE VARIANCE OF 60 MILLION. THAT ALLOCATION, THAT
5 60 MILLION, WAS FOR THE COMMUNITY CARE CENTERS OF
6 EXCELLENCE THAT AT THE BEGINNING OF WHEN THIS BUDGET
7 WAS APPROVED IN DECEMBER, THE PLAN WAS TO HAVE THOSE
8 APPROVED BY THE END OF THE FISCAL YEAR. HOWEVER, AS
9 THE BOARD DISCUSSED IN THE MARCH MEETING, THE
10 COMMUNITY CARE CENTERS OF EXCELLENCE WAS AMENDED TO
11 ALLOW FOR TWO NEW PATHWAYS, SEPARATING INTO DELIVERY
12 AND SUPPORT. SO THOSE FUNDS WILL BE REQUESTED IN
13 THE NEXT FISCAL YEAR AS THOSE NEW CONCEPTS, THOSE
14 AMENDED CONCEPTS AND NEW CONCEPTS ARE DEVELOPED.

15 NOW I'D LIKE TO PASS OVER TO MY COLLEAGUE,
16 ROSA, TO WALK THROUGH THE BUDGET CONTEXT FOR THE
17 STRATEGIC ALLOCATION FRAMEWORK.

18 DR. CANET-AVILES: THANK YOU, JENN. WE
19 CAN STAY BACK ON THE BUDGET CONTEXT. SO THIS, AS
20 JENN WAS MENTIONING, TO SET THE STAGE, THE NEXT FOUR
21 SLIDES WILL GROUND US ON THE STRATEGIC ALLOCATION
22 FRAMEWORK AND HOW IT INFORMS OUR BUDGET DECISIONS.
23 THE FRAMEWORK THAT WE ARE ALL FAMILIAR WITH IS NOT
24 JUST A PLANNING TOOL, BUT IS A MECHANISM TO STAY
25 ALIGNED WITH MISSION-DRIVEN OUTCOMES WHILE WE ALSO

1 ADAPT TO CHANGES IN THE FIELD. NEXT SLIDE.

2 SO AS WE ALL KNOW AND WE'VE SEEN THIS
3 SLIDE MANY TIMES, THE SAF WAS BUILT AROUND A SET OF
4 QUANTIFIABLE, TIME-BOUND IMPACT GOALS THAT ALIGN
5 DIRECTLY WITH OUR MISSION. THOSE GOALS INCLUDE,
6 FIRST, CATALYZING NEW TARGETS AND BIOMARKERS TO
7 DRIVE OUR DISCOVERY PIPELINE. SECOND IS
8 ACCELERATING ENABLING TECHNOLOGIES TO IMPROVE
9 THERAPEUTIC DEVELOPMENT, WILL HELP PRECLINICAL AND
10 CLINICAL AS WELL. THE THIRD AND FOURTH HAVE TO DO
11 WITH CELL AND GENE THERAPY APPROVALS, ADVANCING RARE
12 DISEASE PROJECTS TOWARDS REGULATORY APPROVAL, AND
13 PROPELLING 15 TO 20 THERAPIES AFFECTING CALIFORNIANS
14 INTO LATE STAGE TRIALS.

15 THE FIFTH GOAL HAS TO DO WITH OUR MANDATE
16 FOR ACCESSIBILITY AND AFFORDABILITY TO ENSURE THAT
17 ALL BLA-READY PROGRAMS HAVE AFFORDABILITY AND ACCESS
18 STRATEGIES. AND THE AAWG JUST APPROVED A NEW
19 TOOLKIT THAT WE ARE IMPLEMENTING INTO OUR
20 PRECLINICAL AND CLINICAL DEVELOPMENT PROGRAMS.

21 AND FINALLY, WE HAVE BUILDING A WORKFORCE
22 THAT REFLECTS AND SERVES THE FUTURE OF REGENERATIVE
23 MEDICINE.

24 THESE GOALS DEFINE WHAT SUCCESS LOOKS LIKE
25 OVER THE NEXT SIX TO TEN YEARS. NEXT SLIDE.

1 SO THE STRATEGIC ALLOCATION FRAMEWORK OR
2 SAF HELPS CIRM STAY FOCUSED ON WHAT MATTERS MOST
3 WHILE ALSO REMAINING RESPONSIVE TO A RAPIDLY
4 EVOLVING FIELD. THE FRAMEWORK WAS DESIGNED TO FIRST
5 RESPOND TO CHANGES IN BOTH SCIENCE AND POLICY. FOR
6 EXAMPLE, WE HAVE A DEEPER UNDERSTANDING NOW OF THE
7 BASIC BIOLOGY AND CELL FATE DECISIONS, WHICH ALLOWS
8 US TO MOVE BEYOND PROOF OF CONCEPT AND MORE INTO
9 MECHANISMS AND TREATMENT OPTIMIZATION AND GETTING
10 THOSE THERAPIES ACCESSIBLE AND AFFORDABLE. SO WE
11 ARE IN A DIFFERENT STAGE OF THE FIELD THAT IS
12 REFLECTED IN OUR IMPACT GOALS.

13 THE SAF ALSO INCORPORATES KEY CHANGES
14 UNDER PROP 14, INCLUDING A RENEWED FOCUS ON CNS,
15 CENTRAL NERVOUS SYSTEM, CONDITIONS AND A MANDATE TO
16 ENSURE THE ACCESSIBILITY AND AFFORDABILITY AS WELL
17 AS THE ADDITION OF GENE THERAPY TO CIRM'S SCOPE.
18 MORE THAN A STRATEGIC FEAT, THIS REPRESENTS A
19 PHILOSOPHICAL ONE. WE ARE NOW SETTING QUANTIFIABLE
20 GOALS THAT DEFINE WHAT CIRM'S LEGACY WILL BE. AND
21 THE SAF SETS A SIX- TO TEN-YEAR HORIZON TO REACH
22 THOSE IMPACT GOALS. AND IT USES AN ADAPTIVE MODEL
23 THAT ALLOWS US TO REVIEW THE PRIORITIES ANNUALLY
24 BASED ON DATA FROM OUR PORTFOLIO AS WELL AS EXTERNAL
25 LANDSCAPE. AND THAT IS A SEPARATE PRESENTATION THAT

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1 WE WILL BE PRESENTING ON JUNE 26TH ICOC. SO WE WILL
2 PRESENT THE PORTFOLIO ASSESSMENT THAT WILL INFORM
3 THIS ADAPTIVE MODEL.

4 SO THE MODEL ALLOWS FOR FLEXIBILITY, BUT
5 IT ALSO UNDERScores THE CRITICAL POINT. ONCE GOALS
6 ARE SET, CONTINUOUSLY SHIFTING FOCUS OR DILUTING
7 RESOURCES CAN UNDERMINE OUR ABILITY TO ACHIEVE THEM.
8 SO STAYING DISCIPLINED IS HOW WE WILL DELIVER
9 RESULTS THAT MATTER. NEXT SLIDE.

10 SO THIS BRINGS US TO HOW THE SAF ADAPTIVE
11 MODEL WILL BE IMPLEMENTED OPERATIONALLY. THIS SLIDE
12 IS REPEATED IN THE OTHER PRESENTATION, BUT THIS IS
13 JUST AN IDEA OF HOW WE WILL DO THIS. EVERY YEAR WE
14 WILL PERFORM A COMPREHENSIVE ANALYSIS OF CIRM'S
15 INTERNAL PORTFOLIO ALONGSIDE WITH AN EXTERNAL
16 LANDSCAPE. AND THIS WILL BE INFORMING OUR ADAPTIVE
17 PREFERENCE SETTING BY THE BOARD. WITH THE BOARD'S
18 APPROVAL, THIS WILL BE REFLECTED IN UPDATED OR NEW
19 FUNDING CONCEPTS. SO WE'RE SETTING THE PREFERENCES
20 ANNUALLY EVERY JANUARY.

21 THIS CYCLE ENSURES THAT EVERY DOLLAR THAT
22 WE INVEST IS ALIGNED WITH WHERE WE ARE TODAY AND
23 WHERE WE NEED TO GO TO MEET THE GOALS.

24 AND THIS NEXT SLIDE IS THE LAST SLIDE. IT
25 FINALLY -- TO BRING THIS ALTOGETHER IN THE BUDGET

1 CONTEXT, AND THIS IS ANIMATED. SO IN THE BUDGET
2 CONTEXT TO HOW WE DETERMINE HOW MANY AWARDS WE
3 SHOULD MAKE EACH YEAR AS A FUNCTION OF OUR ADAPTIVE
4 STRATEGIC PLANNING, IT COMES DOWN TO THIS SIMPLE
5 EQUATION. THE NUMBER OF AWARDS PER YEAR IS DRIVEN
6 BY THE SPECIFICS OF THE IMPACT GOALS THAT WE ARE
7 TRYING TO REACH PER PROGRAM AND DIVIDED BY THE
8 EXPECTED SUCCESS RATES AND THE NUMBER OF YEARS
9 PROJECTED. SO LET ME WALK YOU THROUGH THE LOGIC.

10 SO WE START WITH OUR IMPACT GOALS THAT
11 SHOULD BE REFLECTED IN RED AS JUST ONE. THESE ARE
12 FIXED TARGETS THROUGH THE SAF, HOW MANY THERAPIES OR
13 DISCOVERIES WE AIM TO ADVANCE TO A SPECIFIC
14 MILESTONE BY A CERTAIN YEAR.

15 THE NEXT ONE, NOT EVERY PROJECT WILL
16 SUCCEED. SO WE HAVE TO INCORPORATE TARGET RATES
17 USING DATA FROM OUR HISTORICAL PORTFOLIO AND FROM
18 EXTERNAL SOURCES TO ESTIMATE HOW MANY ATTEMPTS IT
19 TAKES TO GET ONE SUCCESS.

20 LASTLY, THE STRATEGIC PLAN, THE YEARS THAT
21 WE HAVE PROJECTED ARE THE PRODUCT OF THE PROJECTIONS
22 IN DEVELOPING THE SAF AND GOALS THAT WE SET GIVEN
23 WHAT WE HAD TO DEFINE THE TIMELINE TOWARDS THE
24 IMPACT. SO THE NUMBER OF AWARDS PER YEAR -- WE NEED
25 TO MAKE EACH YEAR EQUALS TO OUR IMPACT GOALS

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1 ADJUSTED FOR THE TARGET RATES AND DIVIDED ACROSS THE
2 YEARS THAT WE HAVE LEFT. THE GOAL HERE IS TO
3 DELIVER DATA DRIVEN AND ALIGNED WITH OUR MISSION.
4 AND THIS GIVES US THE FRAMEWORK THAT IS BOTH
5 ASPIRATIONAL, BUT ALSO GROUNDED IN DATA AND THE
6 REALITY OF THE FIELD. AND THAT IS THE FINAL SLIDE
7 FOR THIS CONTEXT SETTING. THANK YOU, JENN.

8 MS. J. LEWIS: THANK YOU, ROSA. SO WITH
9 THAT CONTEXT, I'D LIKE TO MOVE FORWARD IN PRESENTING
10 TO YOU THE 25/26 PROPOSED RESEARCH BUDGET. THE
11 MAJOR DRIVERS OF THIS RESEARCH BUDGET INCLUDE ARS
12 APPROVALS OF GRANT APPLICATIONS FOR THE NEW, AMENDED
13 PROGRAMS THAT INCLUDE THE DISC4, PDEV, AND CLIN2
14 CONCEPTS AND AMENDMENTS THAT WERE APPROVED IN MARCH,
15 CIRM-INITIATED GRANTEE CONFERENCES, DISC0
16 APPLICATIONS THAT ARE TARGETED FOR SEPTEMBER
17 APPLICATION REVIEW SUBCOMMITTEE AND, LASTLY, FOR THE
18 COMMUNITY CARE CENTERS OF EXCELLENCE FOR TWO
19 CONCEPTS RELATED TO DELIVERY AND SUPPORT PROGRAMS.

20 SO THE FIRST COLUMN HERE I'LL FOCUS ON THE
21 RESEARCH AND DEVELOPMENT PIPELINE. SO THE FIRST
22 COLUMN IS DISCOVERY BUDGET. WE'RE REQUESTING A
23 TOTAL BUDGET OF 121.1 MILLION, WHICH INCLUDES A
24 REQUEST FOR PROPOSALS FOR DISC-0 AT 37.1 MILLION,
25 WHICH WE ESTIMATE THERE WILL BE ROUGHLY 12 AWARDS.

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1 ADDITIONALLY, THE DISC4 PROGRAM FOR 84 MILLION,
2 WHICH IS AN ESTIMATE OF SIX AWARDS. ADDITIONALLY,
3 THERE'S A REQUEST FOR THE TRANSLATIONAL BUDGET FOR A
4 TOTAL OF 160 MILLION. THIS IS FOR THE PDEV PROGRAM
5 WHICH IS AN ESTIMATE OF 16 AWARDS THAT INCLUDE BOTH
6 MECHANISMS THAT WERE APPROVED IN THE CONCEPT.
7 ESTIMATING SEVEN AWARDS FOR THE LATE STAGE PROGRAM,
8 A LATE STAGE PATH, AND THEN NINE AWARDS FOR THE
9 STAGED PATHWAY.

10 AND THEN LASTLY, THE CLINICAL BUDGET, A
11 TOTAL OF 135 MILLION WHICH IS AN ESTIMATE OF NINE
12 AWARDS THAT WOULD BE FUNDED UNDER THAT BUDGET FOR
13 THE CLIN2 PROGRAM.

14 FOR EDUCATION, WE'RE REQUESTING A BUDGET
15 OF 1.5 MILLION. THIS IS TO SUPPORT CIRM-INITIATED
16 CONFERENCES WHICH WOULD INCLUDE OUR PAN TRAINEE
17 CONFERENCE MEETING IN 2026, THE SPARK 2026 MEETING,
18 A POTENTIAL 2026 GRANTEE MEETING, AND POSSIBLY ANY
19 OTHER NETWORK MEETINGS THAT MAY COME UP FROM THE
20 PROGRAM TEAM.

21 AND THEN LASTLY, THE INFRASTRUCTURE
22 BUDGET, A TOTAL 51 MILLION WHICH WOULD SUPPORT THE
23 COMMUNITY CARE CENTERS OF EXCELLENCE DELIVERY
24 CONCEPT OF 36 MILLION AND THE SUPPORT FOR COMMUNITY
25 CARE CENTERS OF EXCELLENCE OF 15 MILLION.

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1 SO THIS IS -- THE TOTAL BUDGET WOULD COME
2 TO 468.6 MILLION. AND THE REQUEST WOULD BE FOR THE
3 MEETING TODAY TO RECOMMEND APPROVAL TO THE ICOC OF
4 THE FISCAL YEAR 25/26 RESEARCH BUDGET. AND, CHAIR
5 FISCHER-COLBRIE, I'LL HAND IT BACK OVER TO YOU AND
6 BE HAPPY TO ANSWER ANY QUESTIONS.

7 MR. FISCHER-COLBRIE: GREAT. I'D LIKE TO
8 ASK FOR A MOTION TO DE FACTO APPROVE THIS BUDGET
9 WITH THE RECOMMENDATION TO THE BOARD THAT THEY
10 FURTHER APPROVE THIS IN THE SUBSEQUENT MEETING. SO
11 IF I COULD GET A MOTION ON THAT, THAT WOULD BE
12 GREAT.

13 DR. YAMAMOTO: SO MOVED.

14 MR. FISCHER-COLBRIE: AND A SECOND?

15 DR. GOLDEN: SECOND.

16 MR. FISCHER-COLBRIE: GREAT. AND WITH
17 THAT, LET'S OPEN IT UP FOR DISCUSSION. I WASN'T
18 SURE ON THE SEQUENCE. JUDY, YOU WANT TO LEAD OFF?

19 MR. TOCHER: JUDY, I BELIEVE YOU ARE
20 MUTED.

21 DR. GASSON: FIVE YEARS TO FIND THE MUTE
22 BUTTON. SORRY ABOUT THAT.

23 SO THE ENTIRE SCIENTIFIC BIOMEDICAL WORLD
24 HAS CHANGED SIGNIFICANTLY SINCE WE STARTED THIS
25 PROCESS. AND SOME OF THESE CHANGES WERE NOT REALLY

1 CHANGES THAT WE COULD HAVE ANTICIPATED. AND THERE'S
2 NO WAY THAT CIRM IS GOING TO BE ABLE TO MAKE UP IN
3 ANY WAY, SHAPE, OR FORM FOR THE DECREASES IN FUNDING
4 THAT ARE BEING EXPERIENCED THROUGH THE NIH.

5 HOWEVER, I WANTED TO SPECIFICALLY ADDRESS
6 THIS DISC-0 FUNDING LINE OF \$37 MILLION. WE
7 ANTICIPATED RECEIVING 150 APPLICATIONS FOR THE
8 DISC-0 OPPORTUNITY. AND INSTEAD WE RECEIVED 371.
9 THIS OPPORTUNITY REPRESENTS THE HIGH IMPACT BASIC
10 RESEARCH FOUNDATION THAT WILL LEAD TO OUR FUTURE
11 TRANSLATIONAL AND CLINICAL RESEARCH PROGRAMS FROM
12 CIRM THAT WILL BENEFIT PATIENTS AND THEIR FAMILIES.

13 AND SO I WOULD LIKE TO, BECAUSE THE NUMBER
14 OF APPLICATIONS TO BE CONSIDERED DOUBLED, I WOULD
15 LIKE TO PROPOSE THAT WE CONSIDER DOUBLING THE
16 FUNDING FOR THE DISC-0 OPPORTUNITY AT THIS TIME.

17 MR. FISCHER-COLBRIE: OKAY. THANK YOU,
18 JUDY. AND WE'LL GET TO EVERYBODY'S COMMENTS HERE
19 AND COME BACK AND REVISIT THAT JUST MOMENTARILY
20 HERE. SO PAT.

21 DR. LEVITT: SEVERAL. ONE IS IT LOOKS
22 LIKE WE LEFT 41 MILLION ON THE TABLE LAST FISCAL
23 YEAR IN TERMS OF THE DISC GRANTS. IT'S VERY
24 DISAPPOINTING, TO BE HONEST, BECAUSE WE HAD
25 SITUATIONS IN WHICH WE WERE INFORMED THAT THE REVIEW

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1 COMMITTEE RECOMMENDED FUNDING, BUT WE COULDN'T DO IT
2 BECAUSE WE WERE CAPPED IN THAT PARTICULAR CATEGORY.
3 YET THERE WAS 41 MILLION THAT WAS NOT SPENT ON DISC
4 GRANTS.

5 I'M ASKING HOW FLEXIBLE ARE THESE --
6 PREFERENCE SETTING GOALS OCCUR JANUARY. HOW
7 FLEXIBLE ARE THEY DURING THE YEAR SO THAT WE DON'T
8 HAVE A SITUATION IN WHICH WE HAVE -- WHICH WE CANNOT
9 PREDICT? THE HIGH QUALITY IN ONE DOMAIN THAT HAS A
10 CERTAIN AMOUNT OF MONEY THAT'S BEEN ALLOCATED TO IT,
11 RIGHT, ONE OF THE PROGRAMS, AND MOVING FUNDS BETWEEN
12 THOSE AREAS. IF WE'RE SETTING THIS IN JANUARY AND
13 WE'RE SETTING A CAP, THEN WE'RE GOING TO HAVE THE
14 SAME ISSUE.

15 I'D SAY FOR AN AGENCY, IF THEY CONTINUE TO
16 FUND ANYTHING, LIKE NIH, IT IS THE CASE THAT THE
17 BRANCHES ARE PROVIDED -- THE BRANCHES THAT ARE
18 OVERSEEING FUNDING ARE PROVIDED WITH A DOLLAR
19 AMOUNT, BUT SEVERAL OF US HAVE BEEN ON COUNCIL WHERE
20 THERE'S LOTS OF DISCUSSION ABOUT MOVING THINGS
21 AROUND BECAUSE, IN A PARTICULAR TIME, THERE HAVE
22 BEEN EXCEPTIONAL APPLICATIONS IN ONE AREA THAT WERE
23 UNEXPECTED, AND WE DIDN'T WANT TO TURN THOSE AWAY.

24 SO THIS IS REALLY A QUESTION ABOUT
25 FLEXIBILITY. WE CAN'T DO ANYTHING ABOUT THE 41

1 MILLION THAT WAS LEFT ON THE TABLE AND NOT FUNDING
2 SOME GRANTS THAT WERE RECOMMENDED FOR FUNDING, BUT
3 WE COULDN'T BECAUSE WE HIT AN ARTIFICIAL CEILING
4 FROM MY PERSPECTIVE. BUT WHAT'S THE FLEXIBILITY
5 GOING TO BE GOING FORWARD?

6 MR. FISCHER-COLBRIE: I THINK, J.T., IF
7 YOU'D LIKE TO ADDRESS THAT POINT FOR PAT AND WITH
8 THE PROVISIO THAT WE WILL GET BACK TO JUDY'S DE FACTO
9 RECOMMENDATION AND PROPOSAL. SO THAT IS THERE. SO
10 I DON'T WANT TO LOSE SIGHT OF THAT. BUT, J.T., IF
11 YOU WANT TO COMMENT ON PAT'S.

12 DR. THOMAS: THANK YOU, MARK. AND THANK
13 YOU, JUDY AND PAT, FOR YOUR COMMENTS. I'M GOING TO
14 START WITH JUDY'S COMMENT BECAUSE IT THEN FEEDS INTO
15 A RESPONSE TO PAT'S COMMENT.

16 SO WITH RESPECT TO THE DISC-0 ROUND, IT'S
17 IMPORTANT FOR EVERYBODY TO RECALL THAT THIS IS OUR
18 LAST SO-CALLED LEGACY ROUND THAT WE'RE FUNDING
19 BEFORE THE SAF KICKS IN FULL TIME. AND IN OTHER
20 WORDS, THERE WILL BE NO OTHER DISC-0 ROUNDS. THERE
21 IS A PROGRAM THAT'S SORT OF THE NEXT EVOLUTION OF
22 DISC-0, WHICH IS DISC5 THAT'S COMING IN A YEAR OR
23 SO. BUT THIS IS THE LAST OF THE LEGACY ROUNDS.

24 SO WITH RESPECT TO THIS ISSUE OF SHOULD WE
25 INCREASE THE BUDGET FOR DISC-0 GIVEN IT IS THE LAST

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1 OF ITS KIND, IF YOU WILL, I THINK THE -- WHICH, OF
2 COURSE, ALL OF THESE DECISIONS ARE A HUNDRED PERCENT
3 BOARD PREROGATIVE. BUT WE BELIEVE, AS ROSA TALKED
4 ABOUT AND WE DISCUSSED MANY TIMES, WE DO HAVE TO
5 EXERCISE FINANCIAL DISCIPLINE, BUT THERE ARE
6 CIRCUMSTANCES WHICH DO ARGUE FOR CONSIDERATION OF
7 ALTERNATIVES. AND THIS BEING THE LAST OF THAT ROUND
8 AND THE FACT THAT WE ACTUALLY HAD MORE THAN TWO
9 TIMES THE NUMBER OF APPLICATIONS, BUT AS IT'S
10 HAPPENING, UPON THE PRESUBMISSION OR THE PREREVIEW
11 THAT WE'RE DOING, A NUMBER OF THE APPLICATIONS WERE
12 NOT ELIGIBLE.

13 SO THE ACTUAL NUMBER OF APPLICATIONS ARE A
14 LITTLE OVER TWO X, THE 150 TO 160, THAT WE
15 ANTICIPATED BASED ON THE LAST DISC-0 ROUND. SINCE
16 WE HAVE THAT METRIC IN PLACE OF TWO TIMES THE NUMBER
17 OF APPLICATIONS, IT'S REASONABLE TO ANTICIPATE THAT
18 WE COULD HAVE TWO TIMES THE NUMBER OF AWARDS ROUGHLY
19 THAT WE COULD JUSTIFY DOUBLING THE BUDGET FOR THAT
20 IN THIS SPECIFIC INSTANCE.

21 I SAY IN THIS SPECIFIC INSTANCE BOTH
22 BECAUSE IT IS THE LAST OF ITS KIND AND BECAUSE THIS,
23 IN THE TEAM'S OPINION, IS NOT MEANT TO BE
24 PRECEDENTIAL GOING FORWARD BECAUSE THE SAF, AS ROSA
25 LAID IT OUT, AND AS WE LIVED IT IN ITS EVOLUTION

1 OVER THE LAST YEAR AND A HALF IS VERY SPECIFIC TO
2 THE TIMING OF THE ADAPTATION TO TECHNOLOGIES THAT
3 COMES ALONG, THE AMOUNT OF MONEY WE FEEL SHOULD BE
4 PUT OUT AS WE PROCEED ALONG IN PURSUING THE VARIOUS
5 GOALS, AND UNDERTAKING THE IMPLEMENTED CONCEPT
6 PLANS, ET CETERA. SO WE WANT TO BE VERY CAREFUL
7 THAT AS A GENERAL MATTER WE DON'T ASSUME THAT
8 BECAUSE WE MIGHT WANT TO DOUBLE THE BUDGET HERE,
9 THAT WE'LL DOUBLE THE BUDGET FOR THE NEXT THING OR
10 TRIPLE THE BUDGET FOR THE THING AFTER THAT BECAUSE
11 IT'S GOING TO -- IT WILL HAVE CONSEQUENCES WITH
12 RESPECT TO BEING ABLE TO DRIVE THE SAF PROGRAM IN
13 THE WAY THAT WE THINK IS MOST BENEFICIAL TO ACHIEVE
14 THE GREATEST RESULTS, ADVANCE THE MOST PROJECTS TO
15 BLA, ET CETERA. SO WE HAVE TO BE VERY COGNIZANT OF
16 THAT.

17 SO THE TEAM'S VIEW IS THAT WE SHOULD STICK
18 TO THE FISCAL DISCIPLINE; BUT WITH RESPECT TO THIS
19 DISC-0 PROPOSAL BY JUDY, GIVEN THE TWO-X METRIC THAT
20 WE HAVE TO HANG OUR HAT ON HERE AND BEING AWARE OF
21 THE CIRCUMSTANCES WHICH ARE UNQUESTIONABLY CHANGED,
22 THERE'S NO DOUBT ABOUT THAT, THAT WE COULD GO ALONG
23 WITH THAT AS A TEAM AS A RECOMMENDATION.

24 GETTING TO PAT'S QUESTION, BECAUSE WE'RE
25 DOING THAT HERE, AGAIN, IN OUR OPINION ONLY, THE

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1 BOARD MAKES THE DECISIONS HERE, SHOULD NOT MEAN THAT
2 WE'RE GOING TO BE ADDING MANY MORE MILLION HERE,
3 MANY MORE MILLION THERE. HOWEVER, OF COURSE, THE
4 BOARD CAN REVIEW AND TAKE INTO CONSIDERATION
5 CIRCUMSTANCES AS THEY COME UP. AND IT'S OUR JOB, IF
6 AND WHEN THE BOARD DECIDES TO DO THAT, TO
7 ACCOMMODATE THAT BY ADJUSTING THE MODELS AND THE
8 BUDGETS AND EVERYTHING ELSE.

9 SO THIS ISN'T TO SAY THE BOARD IS CUT OFF
10 FROM ANYTHING. YOU GUYS MAKE THE DECISIONS, BUT WE
11 DO WANT TO BE VERY CAREFUL IN MAKING SURE --
12 ADMONISHING EVERYBODY THAT DECISIONS THAT YOU HAVE
13 NOW TO INCREASE BUDGETS, DO WHATEVER, HAVE
14 CONSEQUENCES DOWN THE LINE. WE WANT TO BE IN A
15 POSITION WHERE WE CAN MAXIMALLY ADVANCE THE FIELD.
16 AND REMEMBER SEVERAL YEARS FROM NOW, THE FIELD MOVES
17 SO QUICKLY, THERE ARE GOING TO BE MAJOR DEVELOPMENTS
18 THAT NOBODY CAN ANTICIPATE ON THE SCIENCE SIDE. WHO
19 KNOWS THAT THE NEW CRISPR IS GOING TO BE, FOR
20 EXAMPLE, OR THE NEW IPS CELLS OR WHATEVER. SOMEBODY
21 IS GOING TO COME UP WITH SOMETHING REALLY
22 REVOLUTIONARY. WE WANT TO BE IN A POSITION WHERE WE
23 HAVE MONEY TO FUND THAT. SO IT'S IMPORTANT TO KEEP
24 ALL OF THAT IN CONTEXT GOING FORWARD.

25 BUT, PAT, THE ANSWER IS, OF COURSE, YOU

1 HAVE FLEXIBILITY IN SHORT.

2 DR. LEVITT: YEAH. I'M GLAD YOU ADDED
3 THAT LAST PHRASE, IN SHORT. I DON'T ACTUALLY KNOW
4 WHAT MEANS EXCEPT IT CAN'T BE GOOD. I'M NOT TALKING
5 ABOUT FLEXIBILITY NOW IN TERMS OF THIS. I
6 UNDERSTAND SETTING THE BUDGETS WITHIN THESE
7 CATEGORIES MAKES SENSE. BUT WHEN YOU SEE WITHIN A
8 CATEGORY 70 PERCENT OF THE SUBMITTED GRANTS ARE
9 GETTING FUNDED AND ANOTHER CATEGORY 5 PERCENT ARE
10 GETTING FUNDED, THAT'S TROUBLING TO ME TO SORT OF
11 THINK ABOUT HOW TO DEAL WITH THAT. IT CAN'T BE THAT
12 ONE CATEGORY IS GETTING THE BEST GRANTS AND THE
13 OTHER CATEGORY IS NOT.

14 I DON'T HAVE A SOLUTION. I'M TALKING
15 ABOUT BEING FLEXIBLE WITHIN THE CONTEXT OF THIS
16 COMING UP DURING OUR MEETINGS WHERE WE HAVE TO MAKE
17 SPLIT-SECOND DECISIONS EVEN IF WE READ AHEAD OF TIME
18 ABOUT, OKAY, SO THIS IS WHAT'S RECOMMENDED. WE'RE
19 GOING TO GO ALONG AND DO IT. I THINK THAT THAT'S
20 FINE. AND WE'VE DONE THAT ALMOST A HUNDRED PERCENT
21 OF THE TIME. BUT WHEN SOMETHING LIKE THIS COMES UP
22 WHERE YOU'VE GOT ONE CATEGORY WITH MASSIVE SUCCESS
23 AND ANOTHER WITH VERY LOW SUCCESS, HOW IS THE BOARD
24 GOING TO DEAL WITH THAT IN REAL-TIME? I DON'T KNOW
25 THE ANSWER TO THAT BECAUSE I DON'T KNOW THE BYLAWS

1 WELL. THAT'S MY FAULT. AND I DON'T KNOW AMENDMENTS
2 THAT CAN BE INTRODUCED. AND AT ONE OF THE MEETINGS
3 WE HAD MARK INTRODUCED AMENDMENTS TO DEAL WITH
4 SOMETHING THAT APPARENTLY HAD SOME FLEXIBILITY.

5 SO I WOULD JUST LIKE REASSURANCE THAT
6 THERE IS FLEXIBILITY, THAT WHEN THINGS COME UP AT A
7 BOARD MEETING WHEN WE'RE MAKING REALLY
8 MINUTE-BY-MINUTE DECISIONS ABOUT WHAT'S GOING TO GET
9 FUNDED, WE HAVE ABILITY TO SORT OF SAY CAN WE PAUSE
10 FOR A MINUTE AND TALK ABOUT THIS, RIGHT, AND THEN
11 USE WHATEVER WE'RE ALLOWED TO USE FROM A RULE
12 STANDPOINT TO BE ABLE TO ADDRESS THAT. BECAUSE IF
13 THERE'S NO FLEXIBILITY, THEN IT'S BASICALLY RUBBER
14 STAMPING WHAT WE'RE APPROVING ONCE A YEAR. I'LL
15 STOP THERE.

16 DR. THOMAS: AGAIN, REMEMBER THE 41
17 MILLION WASN'T SPENT -- IT WASN'T TIED TO WHAT
18 YOU'RE TALKING ABOUT. IT WAS TIED TO THE FACT THAT
19 THERE WAS A DELAY IN THE DISC-0 ROUND DUE TO THE
20 FIRES POSTPONING. I KNOW WHAT YOU ARE GETTING AT,
21 BUT IT WASN'T LIKE THERE WAS 41 MILLION WE COULD
22 HAVE APPLIED TO WHAT YOU'RE TALKING ABOUT THAT WAS
23 ALLOCATED TO THAT. IT WASN'T. IT WAS ALLOCATED TO
24 SOMETHING ELSE.

25 DR. LEVITT: THAT'S THE POINT OF

1 FLEXIBILITY, BUT OTHERS SHOULD WEIGH IN.

2 DR. THOMAS: RIGHT. BUT, PAT, THE BOARD
3 ALWAYS HAS FLEXIBILITY. WE DO WANT TO ADMONISH
4 RESTRAINT BECAUSE JENN GOES OUT AND SHE'S BEEN DOING
5 CASH SURVEYS, WHO NEEDS WHAT FOR WHAT. WHAT'S THE
6 LONG-TERM BUDGET? SHE'S DOING A LOT OF WORK TO HELP
7 GUIDE YOU GUYS ON DECISIONS. AND AS WE ADJUST THESE
8 THINGS, AGAIN, THERE ARE CONSEQUENCES. IT WILL
9 CHANGE CASH NEEDS. IT WILL CHANGE THE ORDER OF
10 THINGS. BUT THE BOARD ALWAYS HAS FLEXIBILITY. YOU
11 GUYS ARE THE FINAL DECISION MAKERS ON THIS.

12 MR. TOCHER: J.T., COULD I JUST ADD A
13 LITTLE BIT FOR PAT IN TERMS OF THE FLEXIBILITY
14 BECAUSE YOU MENTIONED SORT OF THE RULES AND
15 CONSTRAINTS. I THINK THE PRIMARY CONSTRAINT IS
16 FINANCIAL WHEN YOU'RE IN THE MIDDLE OF A BUDGET
17 YEAR. AND SO BECAUSE THE FUNDING DECISIONS ARE MADE
18 BY A SUBCOMMITTEE OF THE BOARD, THE APPLICATION
19 REVIEW SUBCOMMITTEE, WHICH DOESN'T HAVE THE
20 AUTHORITY TO RESET BUDGETS, IF MIDSTREAM THERE WAS A
21 WISH TO AUGMENT A BUDGET, THAT WOULD NEED TO BE
22 UNDERTAKEN BY A VOTE OF THE ENTIRE BOARD.

23 SO THERE IS THAT FLEXIBILITY. MIDSTREAM
24 IT WOULD HAVE THAT EXTRA STEP TO IT IF IT OCCURRED
25 AT THAT TIME.

1 DR. LEVITT: OKAY. THANKS.

2 MR. FISCHER-COLBRIE: WITH THAT, I THINK
3 DEBORAH HAS BEEN WAITING FOR A WHILE. SO DEBORAH.

4 DR. DEAS: NO PROBLEM. MY QUESTION
5 RELATES TO THE INFRASTRUCTURE BUDGET WHERE, AS WE
6 HAVE THOSE COMMUNITY CARE CENTERS OF EXCELLENCE,
7 BEFORE WE SEPARATED INTO DELIVERY AND SUPPORT, I DO
8 RECALL THAT WE HAD A BUDGET DESIGNATED, BUT I DON'T
9 RECALL THE AMOUNT. AND MY QUESTION IS WHETHER THIS
10 51 MILLION SPLITTING INTO 36 FOR DELIVERY AND 15 FOR
11 SUPPORT IS OVERALL LOWER THAN WE HAD ANTICIPATED
12 BEFORE WE CLEARLY DELINEATED THAT SEPARATION.

13 DR. CANET-AVILES: MAY I RESPOND TO THAT,
14 J.T.? THANK YOU, DR. DEAS. YES, YOU'RE CORRECT.
15 PREVIOUSLY WE HAD NOT ENVISIONED A SECOND ROUND.
16 AND WHAT WE REALIZED WITH THE APPLICATIONS THAT WE
17 RECEIVED AND THE WAY WE WERE MAPPING THIS IS THAT WE
18 WOULD ESTABLISH THE FIRST DELIVERY, ADD THE SUPPORT,
19 AND THEN ENHANCE THIS WITH A SECOND ROUND. THAT'S
20 WHY WE DIVIDED THE BUDGET. SO THERE'S GOING TO BE
21 BETTER LEVERAGING OF THE FUNDS AS WE MOVE FORWARD.
22 THANK YOU.

23 DR. DEAS: THANK YOU.

24 MR. FISCHER-COLBRIE: GEORGE.

25 DR. BLUMENTHAL: THANK YOU. NORMALLY I

1 HAVE A LOT OF CONCERN ABOUT THE RATE AT WHICH WE
2 SPEND CIRM FUNDS AND TRY TO MAKE SURE THAT WE
3 PRESERVE FUNDING FOR AS LONG AS POSSIBLE. BUT IN
4 THE CONTEXT OF THESE TIMES, I THINK JUDY'S
5 SUGGESTION IS NOT AN UNREASONABLE ONE AT ALL GIVEN
6 ALL THAT'S HAPPENING ON THE NATIONAL SCENE.

7 I GUESS I WOULD POINT OUT -- FIRST
8 EMPHASIZE A POINT J.T. MADE, THAT IF WE CONSIDER
9 INCREASING THE DISC-0 BUDGET, THAT IT IS NOT A
10 PRECEDENT FOR FUTURE ACTIONS OF THE BOARD. THIS IS
11 A ONE-TIME ONLY DEAL.

12 SECONDLY, ON THE SCALE OF THE BUDGET WE'RE
13 TALKING ABOUT, 37 MILLION ISN'T THAT BIG A FRACTION
14 OF OUR BUDGET. IT ISN'T ALL THAT DIFFICULT TO DO.

15 AND THIRD, TO ME THIS IS VERY IMPORTANT,
16 EVEN IF WE DECIDE TO DOUBLE THE DISC-0 BUDGET, THAT
17 DOESN'T NECESSARILY MEAN WE HAVE TO GIVE IT OUT. WE
18 STILL ARE DETERMINING THE QUALITY OF PROPOSALS ON AN
19 ABSOLUTE LEVEL WITH AN ABSOLUTE THRESHOLD FOR
20 FUNDING. AND IF WE DON'T HAVE THE NUMBER OF GRANTS
21 NEEDED TO FILL OUT THAT LARGER NUMBER, THEN WE
22 SIMPLY WON'T GIVE OUT THOSE GRANTS.

23 MR. FISCHER-COLBRIE: THANK YOU, GEORGE.
24 AND CAROLYN.

25 DR. MELTZER: I WILL BE SHORT. I AGREE

1 WITH WHAT'S BEEN SAID ABOUT BALANCING, ADHERING TO
2 PRINCIPLES AND NOT JUST SORT OF HAVING CHANGES
3 MIDSTREAM. BUT I AGREE WITH MAKING AN EXCEPTION FOR
4 THE LAST STAGE OF THE DISC-0 AND INCREASING THAT
5 COMPONENT.

6 MR. FISCHER-COLBRIE: OKAY. WE'LL GO WITH
7 VITO AND THEN KEITH.

8 CHAIRMAN IMBASCIANI: THANK YOU, MARK.
9 GEORGE JUST GAVE THREE VERY, VERY GOOD REASONS WHY
10 TO SUPPORT JUDY'S MOTION. I'M VERY SUPPORTIVE OF IT
11 ALSO. I'LL ADD A FOURTH. I DON'T KNOW WHERE IT
12 FALLS IN THE HIERARCHY, BUT THESE ARE HARD TIMES.
13 AS YOU SAID, WE'RE NOT GOING TO BE ABLE TO FILL THE
14 ENTIRE VOID. \$37 MILLION MAY NOT SEEM LIKE A LOT OF
15 MONEY WHEN YOU LOOK AT THE VOID, BUT IT IS A LOT OF
16 MONEY. AND I THINK THE OPTICS OF THIS WOULD BE VERY
17 GOOD AND WE CAN AFFORD IT. THANK YOU.

18 MR. FISCHER-COLBRIE: THANK YOU. KEITH.

19 DR. YAMAMOTO: SO I'M JUST GOING TO JUST
20 THANK JUDY AND PAT FOR RAISING COMMENTS AT THE
21 BEGINNING OF THIS DISCUSSION THAT VERY MUCH ALIGN
22 WITH THE KINDS OF THINGS I WANTED TO SAY. AND ALSO
23 THANK J.T. FOR ASSURING US OF THE BOARD'S CAPACITY
24 TO REALLY EXERCISE FLEXIBILITY HERE.

25 AND JUST AS THE SITUATION WITH THE DISC-0

1 BUDGET IS RESPONSIVE TO THE FIRES, IN PART
2 RESPONSIVE TO THE FIRES IN SOUTHERN CALIFORNIA, JUDY
3 MADE VERY CLEARLY THE POINT THAT THERE'S A BIG FIRE
4 GOING ON IN WASHINGTON TOO THAT'S AFFECTING ALL OF
5 US ALMOST ON A DAILY BASIS. THERE'S SEVERAL OF US
6 WHO ARE SPENDING A LOT OF TIME IN DC AT THIS
7 CRITICAL TIME OF BUDGET APPROPRIATIONS TRYING TO
8 UNDO SOME OF THE DAMAGE THAT ALREADY HAS BEEN DONE.

9 BUT WHAT I WANTED TO SAY WAS THAT WE'RE IN
10 THIS SITUATION WHERE CIRM IS A SCIENTIFIC ENTERPRISE
11 THAT IS IMMersed IN A MUCH LARGER ONE, THAT WE NEED
12 TO BE AWARE OF OR RESPONSIVE TO JUST AS WE'RE AWARE
13 AND RESPONSIVE TO THE FIRES. AND GIVEN THE
14 SITUATION THAT WE'RE IN, WE DON'T KNOW WHAT THE
15 SITUATION IS GOING TO BE AT THE END OF THE DAY, BUT
16 GIVEN THE SITUATION THAT WE APPEAR TO BE IN RIGHT
17 NOW IN TERMS OF WHAT IS PROPOSED, I THINK BEING ABLE
18 TO RECOGNIZE AND RESPOND TO THE FLEXIBILITY THAT THE
19 BOARD HAS IN MAKING ADJUSTMENTS TO THE WAY THAT OUR
20 RESOURCES ARE BEING ALLOCATED IN RESPONSE TO
21 SITUATIONS WE NEVER COULD HAVE IMAGINED, I THINK IT
22 IS SOMETHING THAT WE NEED TO JUST ALWAYS BE AWARE
23 OF.

24 AND SO EVEN -- SO I CERTAINLY SUPPORT
25 STRONGLY JUDY'S PROPOSAL AND WOULD CAUTION US TO NOT

1 SAY THIS IS A ONE TIME ONLY THING. WE'RE NOT GOING
2 TO CHANGE THAT. I THINK MAINTAINING THE FLEXIBILITY
3 IN RESPONSE TO SITUATIONS AT HAND, DEVELOPMENTS OF
4 NEW TECHNOLOGIES, AS J.T. MENTIONED, OR OUTSIDE
5 INFLUENCES ON THE WAY THAT THE SCIENTIFIC ENTERPRISE
6 MOVES FORWARD ARE GOING TO BE REALLY IMPORTANT FOR
7 US TO BE RESPONSIVE TO.

8 SO MY OWN COUNSEL WOULD BE TO SUPPORT WHAT
9 JUDY IS PROPOSING, NOT DRAW A HARD LINE. I'M NOT
10 TRYING TO SAY THAT WE SHOULD JUST KEEP THIS
11 LOOSEY-GOOSEY AND OPEN TO A DAILY CHANGE IN
12 INTERPRETATION. BUT I THINK BEING AWARE OF AND
13 RESPONSIVE TO THE ENVIRONMENT THAT WE'RE IN IS
14 IMPORTANT. OBVIOUSLY CIRM'S STRENGTH DEPENDS UPON
15 CONTINUED STRENGTH OF THE CALIFORNIA SCIENTIFIC
16 ENTERPRISE OVERALL. AND THE STRENGTH OF THAT
17 ENTERPRISE IS VERY DEPENDENT, NOT ONLY ON WHAT
18 CIRM'S RESOURCES ARE DOING, BUT WHAT THE FEDERAL
19 GOVERNMENT'S RESOURCES ARE DOING. AND I THINK JUST
20 BEING AWARE OF THE SITUATIONS THAT WE'RE IN ALMOST
21 ON A DAY-TO-DAY BASIS IS GOING TO BE IMPORTANT FOR
22 CIRM'S CONTINUED SUCCESS MOVING FORWARD.

23 MR. FISCHER-COLBRIE: GREAT. THANK YOU,
24 KEITH.

25 BEFORE WE GO TO A FORMAL AMENDMENT TO THE

1 PROPOSAL AND CONTINUE TO TAKE THE NEXT STEPS RELATED
2 TO THAT, J.T., ARE THERE ANY ADDITIONAL COMMENTS
3 THAT YOU'D LIKE TO APPEND?

4 DR. THOMAS: I WOULD JUST LIKE TO MAKE A
5 POINT THAT NOT EVERYBODY MAY BE AWARE OF. SO AS
6 KEITH, CORRECTLY AND OTHERS ARE VERY CORRECTLY
7 POINTING OUT, WE HAVE ALL THESE CUTS AND PULL-BACKS
8 ON EXISTING CONTRACTS AND THAT SORT OF THING. I
9 WANT TO POINT OUT, MAKE SURE EVERYBODY KNOWS, SO
10 LET'S SAY WE ADD 37 MILLION TO THE LIST HERE, WE'RE
11 NOW GOING TO BE UP AT 505.7 MILLION. AND THAT WILL
12 BE THE LARGEST AMOUNT OF MONEY THAT CIRM, ASSUMING
13 WE ADHERE TO THAT, THAT WE HAVE EVER PUT OUT IN A
14 SINGLE YEAR IN OUR HISTORY.

15 THE REASON I SAY THAT IS THAT WE ARE
16 PLAYING AN EXTREMELY MAJOR ROLE IN FUNDING THIS
17 SPACE. AND WHILE OTHERS ARE RETRENCHING AND
18 CUTTING, WE ARE ENLARGING THE SCOPE OF WHAT WE'RE
19 DOING. THAT WILL CONTINUE THROUGHOUT THE
20 IMPLEMENTATION OF THE SAF AND THAT WE SHOULD FEEL
21 VERY GOOD ABOUT THAT IN TERMS OF HOW WE ARE
22 ADVANCING THE FIELD IN CALIFORNIA. AND, OF COURSE,
23 AS DEVELOPMENTS HAPPEN, IT WILL APPLY NATIONALLY AND
24 INTERNATIONALLY AS WELL.

25 SO WE'RE DOING WHAT WE SHOULD BE DOING.

1 WE ARE ABSOLUTELY ONE OF THE MAJOR PLAYERS IN THE
2 WORLD IN THIS. AND THE BOARD SHOULD FEEL VERY GOOD
3 ABOUT THIS AND THE DIRECTION WE'RE HEADING AND THE
4 GAME PLAN WE'VE GOT AND THE IMPACT THAT WE'RE GOING
5 TO HAVE. SO THAT'S MY ONLY OTHER COMMENT, MARK.

6 MR. FISCHER-COLBRIE: THANK YOU, J.T.
7 SCOTT, IF YOU CAN GUIDE US THROUGH THE PROPER STEPS
8 TO PUT THIS AMENDMENT IN PLACE AND DO THE PROPER
9 ELEMENTS AROUND ANY FURTHER DISCUSSION AND PUBLIC
10 DISCOURSE AS WELL. THANK YOU.

11 MR. TOCHER: SURE. YOU BET. WE HAVE A
12 MOTION ON THE TABLE TO APPROVE THE RESEARCH BUDGET
13 MADE BY KEITH YAMAMOTO AND SECONDED BY JEFF GOLDEN.
14 UNDER THE ICOC BYLAWS, AMENDMENTS TO A MOTION MAY BE
15 MADE WITH THE CONCURRENCE OF THE MAKER AND THE
16 SECOND UNLESS ANY MEMBER REQUESTS A VOTE.

17 SO THE FIRST QUESTION WOULD BE ARE KEITH
18 AND JEFF AMENABLE TO A MOTION -- TO AN AMENDMENT
19 THAT WOULD DOUBLE THE SIZE OF THE DISC-0 BUDGET IN
20 ADDITION TO THE RECOMMENDED BUDGET AMOUNT IN THE
21 OTHER AREAS.

22 DR. YAMAMOTO: SO I'M STRONGLY SUPPORTIVE
23 OF THAT AMENDMENT.

24 DR. GOLDEN: I'M ALSO STRONGLY SUPPORTIVE
25 OF THAT AMENDMENT.

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1 MR. TOCHER: GREAT. AND IS THERE ANY
2 MEMBER WHO WOULD WISH, RATHER, TO HAVE A VOTE ON THE
3 AMENDMENT SEPARATELY? OKAY. SO THEN BY THE ICOC'S
4 RULES, THE MOTION TO APPROVE THE BUDGET IS AMENDED
5 TO INCLUDE A DOUBLING OF THE DISC-0 BUDGET.

6 MR. FISCHER-COLBRIE: THANK YOU, SCOTT.
7 THAT'S THE FORMAL MOTION ON THE TABLE. I THINK WE
8 STILL NEED TO FORMALLY REQUEST FOR ANY ADDITIONAL
9 COMMENTS AND THEN PUBLIC COMMENTS.

10 MR. TOCHER: THAT'S CORRECT.

11 MR. FISCHER-COLBRIE: ANY FURTHER COMMENTS
12 THAT PEOPLE WOULD LIKE TO ADD NOW THAT THE FORMAL
13 MOTION IS AVAILABLE? I'M NOT SEEING ANY ON MY END.
14 ANYBODY ELSE? CLAUDETTE, IS THERE ANYBODY ELSE?

15 MS. MANDAC: NO. THERE ARE NO MORE HANDS
16 RAISED.

17 MR. FISCHER-COLBRIE: OKAY. IN THAT CASE,
18 ANYBODY FROM THE PUBLIC THAT IS WANTING TO WEIGH IN?

19 MR. TOCHER: DOESN'T APPEAR SO.

20 MR. FISCHER-COLBRIE: OKAY. WITH THAT,
21 LET'S TAKE THE ROLL CALL VOTE.

22 MR. TOCHER: FOR THE RESEARCH BUDGET,
23 WE'LL BE POLLING THE MEMBERS OF THE SCIENCE
24 SUBCOMMITTEE.

25 MARIA BONNEVILLE.

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1 VICE CHAIR BONNEVILLE: YES.
2 MR. TOCHER: DEBORAH DEAS.
3 DR. DEAS: YES.
4 MR. TOCHER: MARK FISCHER-COLBRIE.
5 MR. FISCHER-COLBRIE: YES.
6 MR. TOCHER: ELENA FLOWERS.
7 DR. FLOWERS: YES.
8 MR. TOCHER: JUDY GASSON.
9 DR. GASSON: YES.
10 MR. TOCHER: JEFF GOLDEN.
11 DR. GOLDEN: YES.
12 MR. TOCHER: DAVID HIGGINS.
13 DR. HIGGINS: YES.
14 MR. TOCHER: VITO IMBASCIANI.
15 CHAIRMAN IMBASCIANI: YES.
16 MR. TOCHER: PAT LEVITT.
17 DR. LEVITT: YES.
18 MR. TOCHER: CAROLYN MELTZER.
19 DR. MELTZER: YES.
20 MR. TOCHER: SHAUNA STARK.
21 MS. STARK: YES.
22 MR. TOCHER: KAROL WATSON.
23 DR. WATSON: YES.
24 MR. TOCHER: KEITH YAMAMOTO.
25 DR. YAMAMOTO: YES.

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1 MR. TOCHER: THANK YOU VERY MUCH. AND THE
2 MOTION CARRIES.

3 MR. FISCHER-COLBRIE: THANK YOU, SCOTT.
4 AND WE'RE A LITTLE BIT OUT OF PHASE AND SEQUENCE
5 HERE. BUT I'M REALLY, REALLY EXCITED TO HAVE SHAUNA
6 STARK JOIN THE SCIENCE COMMITTEE. SHE'S GOT A VERY
7 IMPRESSIVE BACKGROUND, INVOLVED IN 42 PUBLICATIONS,
8 TWO BOOK CHAPTERS. SHE'S CURRENTLY ASSOCIATE DEAN
9 OF RESEARCH OPERATIONS AND CHIEF OF STAFF AT UC
10 IRVINE, IS THAT RIGHT, SHAUNA? AND WITH HER
11 BACKGROUND AS A 20 YEARS NEUROSCIENTIST, COMBINED
12 WITH HER CURRENT ROLES AND ACTIVITIES THAT COVERS
13 THE BROAD SCALE SCOPE OF THE ENTIRE ADMINISTRATION
14 ASPECT, I'M REALLY EXCITED TO HAVE SHAUNA JOIN THE
15 SCIENCE COMMITTEE. SO A BIG WELCOME TO SHAUNA.
16 GREAT TO HAVE YOU ON BOARD.

17 DR. STARK: THANK YOU VERY MUCH. HAPPY TO
18 BE HERE. THANK YOU.

19 MR. FISCHER-COLBRIE: THANK YOU. GREAT.
20 NOW GO TO THE NEXT AGENDA ITEM.

21 DR. BLUMENTHAL: I THINK NOW WE'RE GOING
22 TO GO TO THE APPROVAL OR CONSIDERATION OF THE
23 ADMINISTRATIVE BUDGET. AND I GUESS, MICHELLE, ARE
24 YOU GOING TO DO THAT PRESENTATION?

25 MS. M. LEWIS: YES. THANK YOU, GEORGE.

1 SHARE MY SCREEN.

2 MEMBERS OF THE FINANCE AND SCIENCE
3 SUBCOMMITTEES, CIRM TEAM, AND MEMBERS OF THE PUBLIC,
4 I'LL BE PRESENTING OUR FISCAL YEAR 25/26
5 ADMINISTRATIVE BUDGET.

6 AS PREVIOUSLY STATED, OUR MISSION IS
7 ACCELERATING WORLD-CLASS SCIENCE TO DELIVER
8 TRANSFORMATIVE REGENERATIVE MEDICINE TREATMENTS IN
9 AN EQUITABLE MANNER TO A DIVERSE CALIFORNIA AND
10 WORLD.

11 TODAY WE'RE GOING TO GO OVER PROPOSITION
12 14, JUST AN OVERVIEW. WE'RE GOING TO GO OVER THE
13 FISCAL YEAR 24/25 PROJECTED FINANCIAL RESULTS AND
14 THEN GO INTO OUR PROPOSED 25/26 ADMINISTRATIVE
15 BUDGET.

16 THIS IS AN OVERVIEW OF THE ENTIRE
17 PROPOSITION. AND THIS GRAPH SHOWS THE MAJOR
18 CATEGORIES WHERE THE FUNDS WERE ALLOTTED. WE WERE
19 ALLOWED TO SPEND 4.9 BILLION ON GRANT FUNDING, WHICH
20 WAS THE PREVIOUS PRESENTATION. WE'LL GO INTO MORE
21 DETAIL ON THE NEXT SLIDE ON THE ADMINISTRATIVE SIDE.

22 HERE'S THE DETAIL OF THREE MAJOR
23 CATEGORIES OF THE ADMINISTRATIVE BUDGET. OUR FIRST
24 ONE IS ACTUALLY REALLY CAPITALIZED INTEREST AND COST
25 OF ISSUANCE, WHICH ARE COSTS ASSOCIATED WITH THE

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1 ISSUANCE OF BONDS TO FUND OUR ACTIVITIES.

2 FIRST, THE PROPOSITION STATES THAT ALL
3 INTEREST ON ANY BOND ISSUED THROUGH THE FIFTH FULL
4 CALENDAR YEAR FROM THE START OF THE BOND WILL BE
5 PAID FROM THE BOND PROCEEDS. THIS IS CALLED
6 CAPITALIZED INTEREST.

7 SECOND, THERE ARE FEES THAT ARE PAID TO
8 PROFESSIONALS ASSOCIATED WITH THE BOND SALES CALLED
9 COST OF ISSUANCE. BOTH OF THESE REDUCE THE AMOUNT
10 FROM THE BOND THAT WE ARE ALLOWED TO SPEND. THE
11 PROPOSITION DOESN'T STIPULATE A SET AMOUNT THAT THE
12 BOND AUTHORITY CAN BE REDUCED. CIRM HAS ESTIMATED
13 THAT THE CAPITALIZED INTEREST AND COST OF ISSUANCE
14 WILL TOTAL ABOUT 100 MILLION, AND THAT IS WHAT WE
15 HAVE BUDGETED. SO THAT'S WHAT YOU'LL SEE IN THE
16 FIRST COLUMN.

17 TO DATE, CIRM'S AUTHORITY HAS BEEN REDUCED
18 BY 85 MILLION FOR THOSE TWO PURPOSES. THERE WILL BE
19 ONE MORE BOND SALE BEFORE THE END OF THE FIFTH YEAR.

20 OUR NEXT CATEGORY IS THE CIRM DIRECT GRANT
21 ADMINISTRATION. AND SO FAR WE HAVE SPENT FOR GRANT
22 COMPLIANCE, WE HAVE SPENT 14.7 MILLION, AND WE HAVE
23 85.3 REMAINING.

24 FOR ACCESS AND AFFORDABILITY WE HAVE SPENT
25 3.4 MILLION, AND WE HAVE 51.6 MILLION REMAINING.

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1 ON GRANT ADMINISTRATION, WE HAVE SPENT
2 23.1 MILLION, AND WE HAVE 141.9 MILLION REMAINING.

3 OUR LAST CATEGORY WOULD BE THE CIRM
4 ADMINISTRATION, AND WE HAVE SPENT 35 MILLION TO
5 DATE, AND WE HAVE 157.5 MILLION REMAINING.

6 NOW WE WILL GO OVER THE 24/25 FINANCIAL
7 RESULTS. JUST SOME CONTEXT FOR THIS CURRENT BUDGET
8 YEAR. DURING THE YEAR WE HAD A NEW PRESIDENT AND
9 CEO. THE NEW CEO STARTED AFTER THE FISCAL YEAR
10 24/25 BUDGET WAS FINALIZED.

11 WE HAD A REORGANIZATION OF THE AGENCY.
12 THERE WAS A REDUCED HEAD COUNT TO THE EXECUTIVE
13 TEAM, AND THERE WAS A COST INTERCHANGE FOR THE
14 PROGRAM AREAS THAT HAPPENED IN SEPTEMBER. THE
15 PROGRAM TEAM IS NOW UNDER ONE UMBRELLA. THEY RESIDE
16 UNDER THE CHIEF SCIENCE OFFICER IN FIVE DIFFERENT
17 COST CENTERS. THE FOCUS FOR THEM HAS BEEN FLUID
18 THROUGHOUT THIS YEAR AS THEY IMPLEMENT NEW
19 STRATEGIES DUE TO THE CHANGE.

20 WE HAVE CONTINUED TO RECRUIT IN
21 ANTICIPATION OF NEW AND INCREASED BUSINESS
22 ACTIVITIES. FOR FISCAL YEAR 24/25, THEY WERE
23 BUDGETED 70 POSITIONS. WE'VE RECRUITED 12 NEW
24 FULL-TIME POSITIONS DURING THE YEAR, AND WE ARE
25 CURRENTLY AT 62. WE ARE ALSO IN THE HIRING PROCESS

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1 OF FOUR NEW STAFF FOR THIS CURRENT BUDGET YEAR.

2 THESE ARE THE PROJECTED FINANCIAL RESULTS
3 FOR THE 24/25 FISCAL YEAR. IN THE FIRST COLUMN YOU
4 WILL SEE THAT THESE ARE THE CATEGORIES THAT WE
5 BUDGET. IN THE SECOND COLUMN, OUR BUDGET FOR THE
6 24/25 FISCAL YEAR WAS 31.6 MILLION. OUR ESTIMATED
7 RESULTS FOR THE 24/25 FISCAL YEAR IS 25 MILLION.
8 THESE NUMBERS CAN CHANGE AS WE ARE STILL HIRING, SO
9 WE MAY HAVE INCREASED EMPLOYEE EXPENSES. THAT
10 PROVIDES A VARIANCE OF 6.5 MILLION.

11 THESE ARE SOME OF THE DRIVERS OF THE
12 BUDGET VARIANCE FOR THE 24/25 FISCAL YEAR. THERE
13 WERE POSITION VACANCIES. AND EVEN THOUGH IN THE
14 PREVIOUS SLIDE WE DISCUSSED THAT WE HAVE FILLED 12
15 POSITIONS, MOST OF THOSE OCCURRED DURING THE SECOND
16 HALF OF THE YEAR, AND THAT RESULTED IN A SALARY
17 SAVINGS.

18 THERE WAS A FOCUS ON STRATEGIC ALLOCATION
19 FRAMEWORK AND INTERNAL OPERATIONS, AND THAT LED TO A
20 DECREASE IN TRAVEL AND TRAINING.

21 OUR EXTERNAL SERVICES ALSO DECREASED DUE
22 TO THE REORGANIZATION OF DEPARTMENTS AND PRIORITIES
23 LEADING TO A DECREASE IN THE ENGAGEMENT OF EXTERNAL
24 SERVICES.

25 OUR REVIEWS, MEETINGS, AND WORKSHOPS ALSO

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1 DECREASED, AND THAT'S BECAUSE THE APPLICATION CYCLE
2 WAS PAUSED, AND THAT RESULTED IN A DECREASE IN THE
3 GWG REVIEWS FOR THE YEAR.

4 NOW WE'LL GO OVER THE PROPOSED BUDGET FOR
5 THE 25/26 YEAR. NORMALLY YOU WOULD SEE THE
6 COMPARISON OF THE ESTIMATED TO FINISH OF THE PRIOR
7 YEAR TO THE NEW BUDGET. HOWEVER, GIVEN THE UNIQUE
8 YEAR THAT I JUST DESCRIBED, THE DECISION WAS MADE TO
9 SHOW THE COMPARISON AS BUDGET TO BUDGET AS IT GIVES
10 A BETTER PICTURE OF THE YEAR-TO-YEAR BREAKDOWN.

11 SO IN THE FIRST COLUMN WE HAVE THE
12 CATEGORIES -- OUR BUDGET CATEGORIES. IN THE SECOND
13 COLUMN WAS OUR APPROVED 24/25 BUDGET, WHICH WAS 31.6
14 MILLION. OUR PROPOSED BUDGET FOR THE 25/26 FISCAL
15 YEAR IS 34.6 MILLION. THIS IS AN INCREASE OF \$3
16 MILLION. AND I WILL GO OVER THAT IN THE NEXT SLIDE.

17 THESE ARE THE MAJOR DRIVERS OF THE 25/26
18 ADMINISTRATION BUDGET. WE HAVE EXTERNAL SERVICES.
19 THERE'S GOING TO BE AN INCREASED USE OF -- POTENTIAL
20 INCREASED USE OF LEGAL SERVICES AS THE AGENCY GROWS
21 AND WE INCREASE GRANT AWARDS.

22 THERE'S AN INVESTMENT IN GRANT AWARD
23 INFRASTRUCTURE SUCH AS DATA PLATFORMS, EDUCATIONAL
24 OUTREACH, AND THE IPSC CELL BANK REPOSITORY
25 MAINTENANCE. THERE IS ALSO AN INCREASE IN

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1 I.T.-RELATED CONTRACTS DUE TO INFLATION AND
2 POTENTIAL TARIFFS.

3 OUR MEMBERSHIPS AND TRAINING WILL ALSO
4 INCREASE DUE TO LARGER STAFFING LEVELS. AND OUR
5 TRAINING BUDGET IS BUDGETED AT 1 PERCENT OF THE
6 LABOR COST. SO AN INCREASE IN LABOR COST WILL
7 INCREASE THE TRAINING BUDGET.

8 NOW, WE DO HAVE -- I WANTED TO POINT OUT
9 THAT WE ACTUALLY ANTICIPATE A DECREASE IN THREE
10 AREAS. SO THAT WAS WITH A FOCUS ON MINDFUL
11 PLANNING. OUR REVIEWS, MEETINGS, AND WORKSHOPS, THE
12 GWG REVIEWS ARE PLANNED TO START LATER IN THE YEAR
13 FOR THIS YEAR ONLY. THAT'S WHY THERE IS A DECREASE
14 IN OUR REVIEWS BUDGET.

15 TRAVEL IS BEING PLANNED STRATEGICALLY,
16 LIMITING THE NUMBER OF TRAVELERS AND OUT-OF-STATE
17 TRAVEL.

18 THERE WILL ALSO BE A DECREASE IN
19 EQUIPMENT, SUPPLIES, ET CETERA, SOFTWARE JUST IN
20 ANTICIPATION OF A MINDFUL PLANNING.

21 AS FAR AS OUR INCREASE IN EMPLOYEE
22 EXPENSES, THESE ARE THE MAJOR DRIVERS. SO WE ARE
23 REQUESTING THREE NEW POSITIONS AND FIVE PROMOTIONS
24 WHICH WOULD INCREASE BY \$783,850. THERE IS ALSO A
25 PROPOSAL FOR A PERFORMANCE-BASED MERIT SALARY

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1 INCREASE OF 3 PERCENT FOR ELIGIBLE STAFF AND A
2 3-PERCENT COST OF LIVING ADJUSTMENT. I JUST WANTED
3 TO POINT OUT THAT THE \$944,150 IS SLIGHTLY DIFFERENT
4 FROM THE POSTED AMOUNT. THERE WAS A SLIGHT CHANGE
5 IN THE FIGURES. THIS COST OF LIVING INCREASE
6 INCLUDES THE STAFF AS WELL AS THE PRESIDENT, CHAIR,
7 AND VICE CHAIR.

8 WE HAVE ALSO ADDED A LEAVE BUYOUT FOR
9 EMPLOYEES WHO LEAVE OR RETIRE. THIS IS A CASH-OUT
10 OF ALLOWABLE LEAVE TIME. THAT IS A LITTLE OVER A
11 MILLION DOLLARS. I JUST WANTED TO POINT OUT THIS IS
12 NEW. ALL STAFF RECEIVE VACATION HOURS THAT ARE
13 CONSIDERED THEIR PROPERTY. THIS IS A LIABILITY FOR
14 US AS WE ARE REQUIRED TO CASH OUT THOSE HOURS SHOULD
15 THEY DECIDE TO LEAVE CIRM. THIS RESERVES AN AMOUNT
16 EQUAL TO ONE STAFF MEMBER FROM EACH COST CENTER AS
17 WE CANNOT PREDICT WHO WILL LEAVE. THIS ALLOWS THE
18 COST CENTERS TO BACKFILL THEIR POSITIONS WITHOUT
19 IMPACTING THEIR BUDGETS. AND WE DO HAVE ONE
20 CONFIRMED RETIREMENT THIS YEAR.

21 THESE ARE THE RISK FACTORS FOR THE 25/26
22 BUDGET. WHILE CIRM CONTINUES TO ACTIVELY MANAGE
23 COSTS, HOWEVER SOME FACTORS ARE DIFFICULT TO
24 CONTROL. THERE IS ALWAYS RECRUITMENT AND PERSONNEL
25 GROWTH, AND THERE IS ALSO THE INCREASED COST OF

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1 GOODS AND SERVICES DUE TO INFLATION AND TARIFFS.

2 AT THIS POINT WE REQUEST TO RECOMMEND --
3 THE SUBCOMMITTEE TO RECOMMEND APPROVAL TO THE BOARD
4 FOR THE 25/26 ADMINISTRATION BUDGET.

5 DR. BLUMENTHAL: GOOD. THANK YOU,
6 MICHELLE. I THINK AT THIS POINT I'LL ASK IS THERE A
7 MOTION AND A SECOND TO APPROVE THIS BUDGET?

8 VICE CHAIR BONNEVILLE: SO MOVED.

9 DR. BLUMENTHAL: BUT TO RECOMMEND THAT THE
10 BOARD APPROVE THE BUDGET.

11 VICE CHAIR BONNEVILLE: SO MOVED.

12 DR. MELTZER: SECOND.

13 DR. BLUMENTHAL: THANK YOU.

14 MR. TOCHER: ACTUALLY, CAROLYN, I'M AFRAID
15 WE NEED A MEMBER OF THE FINANCE SUBCOMMITTEE.

16 DR. MELTZER: I'M SORRY.

17 MR. TOCHER: I SHOULD HAVE MADE THAT
18 ANNOUNCEMENT AT THE BEGINNING. SO IF WE COULD HAVE
19 A SECOND FROM A MEMBER OF THE FINANCE SUBCOMMITTEE.

20 DR. HIGGINS: SECOND FROM SAN DIEGO.

21 MR. TOCHER: SORRY, DAVID. GUESS WHAT. I
22 LOOK FOR EITHER VITO IMBASCIANI OR JOE PANETTA.

23 MR. PANETTA: I'LL SECOND IT. IT THIS IS
24 JOE.

25 MR. TOCHER: THANK YOU, JOE. ALL RIGHT.

1 WE'RE GOOD TO GO.

2 DR. BLUMENTHAL: GREAT. SO WE CAN OPEN IT
3 UP FOR DISCUSSION IF YOU HAVE QUESTIONS OR COMMENTS.
4 JEFF.

5 DR. GOLDEN: YEAH. I WONDER IF YOU'VE --
6 I SAW THAT THE LEGAL BUDGET WAS INCREASED A LITTLE
7 BIT. BUT GIVEN THE NUMBER OF LEGAL CASES THAT HAVE
8 BEEN BROUGHT FORWARD, IS THERE ANY CONCERN THAT THE
9 CURRENT ADMINISTRATION WILL IMPACT EITHER CIRM OR
10 CALIFORNIA IN A WAY THAT WE WOULD BE SADDLED WITH
11 ADDITIONAL LEGAL COSTS?

12 MR. AGUIRRE-SACASA: WAS THAT JOE? I
13 THINK THAT THAT'S ALWAYS THE CASE. THE INCREASE IN
14 LEGAL FEES, WHAT WE'RE ASKING FOR IS WE THINK IT'S
15 MORE PROGRAMMATIC IN NATURE. WE HAVE AN AWARD
16 PROGRAM WHERE WE THINK MORE OF OUR APPLICANTS WILL
17 TAKE ADVANTAGE OF THAT FOR CO-FUNDING OPERATIONS.
18 SO THAT'S WHAT WE WERE FOCUSED ON. BUT WE'RE ALWAYS
19 MONITORING THE SITUATION IN WASHINGTON, DC, OF
20 COURSE. WE JUST CAN'T ANTICIPATE FOR ANYTHING LIKE
21 THAT. WE'LL DO WHAT WE NEED TO DO TO REPRESENT CIRM
22 TO THE BEST OF OUR ABILITIES IN THOSE SITUATIONS.
23 AND WE WOULD COME BACK PRESUMABLY TO ASK FOR AN
24 INCREASE IF WE NEED TO FOR BOARD APPROVAL.

25 DR. BLUMENTHAL: ARE THERE OTHER

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1 QUESTIONS? SEEING NO OTHER HANDS RAISED, LET ME --

2 MR. AGUIRRE-SACASA: WE HAVE VITO OVER
3 HERE TOO.

4 CHAIRMAN IMBASCIANI: HI, GEORGE. I HAVE
5 A SMALL QUESTION --

6 DR. BLUMENTHAL: SURE.

7 CHAIRMAN IMBASCIANI: -- FOR MICHELLE. IF
8 YOU WOULD, JUST EXTERNAL SERVICES. ONE OF THE
9 THINGS THAT'S CALLED OUT IS CELL BANK MONITORING. I
10 THOUGHT I JUST SAW AN INTERNAL MEMO THAT WE WERE
11 GOING TO SELL OFF THE CELL BANK.

12 MS. M. LEWIS: IT'S ACTUALLY FOR THE
13 REPOSITORY MAINTENANCE, AND THERE WAS ANOTHER MEMO
14 THAT WAS JUST SENT OUT.

15 CHAIRMAN IMBASCIANI: THE DIFFERENCE IS,
16 NOT IN DOLLARS, BUT IN CONCEPT?

17 DR. THOMAS: ROSA, DO YOU WANT TO ADDRESS
18 THAT?

19 DR. CANET-AVILES: SORRY. WHAT WAS THE
20 QUESTION?

21 CHAIRMAN IMBASCIANI: THE CELL BANK
22 MONITORING, I THOUGHT, WAS GOING AWAY.

23 DR. CANET-AVILES: SORRY. APOLOGIES. NO.
24 WHAT THIS REFERS TO IS, AS THE LETTER, THE MEMO TO
25 THE BOARD INDICATED, IS WE ARE MOTHBALLING THE CELL

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1 BANK. SO IT'S GOING TO INCUR SOME MAINTENANCE COST,
2 AND WE HAVE MINIMIZED THEM IN PARTNERSHIP WITH FCDI.
3 SO WE WILL BE MAINTAINING THE MASTER CELL BANK IN
4 ORDER TO BE REVIVED IF ONE DAY SOMEBODY DEEMS THAT
5 THEY WANT TO REVIVE IT. THAT'S WHAT THIS IS ABOUT.

6 CHAIRMAN IMBASCIANI: GREAT. THANK YOU
7 FOR THE CLARIFICATION.

8 DR. CANET-AVILES: THANK YOU, MICHELLE,
9 ALSO FOR PROVIDING THAT GREAT PRESENTATION, BY THE
10 WAY.

11 MS. M. LEWIS: THANK YOU.

12 DR. BLUMENTHAL: PAT.

13 DR. LEVITT: ROSA, CAN YOU CLARIFY? SO
14 WILL -- THE CELLS ARE NOT BEING -- THE BANK IS NOT
15 BEING OFFERED TO ANOTHER ORGANIZATION THAT WOULD
16 THEN MAKE THE CELL LINES AVAILABLE, OR IT'S GOING TO
17 BE MOTHBALLED? HOW DOES SOMEBODY -- I'M TRYING TO
18 UNDERSTAND WHAT THE STATUS IS GOING TO BE ONCE THIS
19 OCCURS.

20 DR. CANET-AVILES: YES. THE STATUS IS
21 THAT WE ARE GOING TO BE MOTHBALLING. SO FCDI
22 TOGETHER WITH US, WE ARE GOING TO BE PUTTING IT IN
23 STORAGE. WE ARE ALSO OFFERING RIGHT NOW THE CELL
24 LINES AT A DISCOUNT -- AT A DISCOUNTED RATE. AND I
25 THINK THIS IS ALREADY OUT AND NOW. AND WE WILL

1 BE -- THIS CELL STORAGE FACILITY WILL BE STORING A
2 FEW VIALS OF THE CELLS FOR EACH IPS CELL LINE
3 WITHOUT FURTHER DISTRIBUTION WHICH WILL ALLOW THE
4 REPOSITORY TO BE REVIVED SHOULD THAT BE WARRANTED BY
5 FUTURE INTEREST AND CIRCUMSTANCES.

6 ALSO, WHAT'S MORE, JUST TO CLARIFY, SINCE
7 THE IPS CELL LINES CAN BE PROPAGATED IN THE
8 LABORATORY INDEFINITELY, THOSE CIRM LINES
9 DISTRIBUTED OVER THE PAST 9.5 YEARS CAN CONTINUE TO
10 YIELD NEW INFORMATION ABOUT HUMAN BIOLOGY AND
11 DISEASE THROUGH THE LABORATORIES THAT ACQUIRED THEM
12 AND THEIR COLLABORATORS AS WELL. JUST WANT TO MAKE
13 SURE THAT THIS IS -- AND THERE IS A LETTER OUT, AND
14 WE'VE ALSO E-MAILED ALL OUR GRANTEES AND THOSE WHO
15 HAVE PURCHASED THE LINES.

16 DR. LEVITT: SO IT CAN'T BE DISTRIBUTED TO
17 ANOTHER BANK LIKE MERCK-TYPE CULTURE OR NIH?
18 THERE'S LIKE LOTS OF BANKS THAT WOULD NOT WANT THIS
19 SO THAT THEY WOULD -- I DON'T KNOW IF IT'S ALLOWED
20 GIVEN THE SOURCE OF THE MATERIAL. THE REASON -- TO
21 CONSIDER THIS, I DON'T KNOW HOW MUCH TO BELIEVE IN
22 TERMS OF THE ANNOUNCEMENTS THAT COME OUT OF THE NIH.
23 THERE HAS BEEN AN ANNOUNCEMENT ABOUT INCREASED
24 INTEREST IN ORGANOID WORK. RIGHT? THEY WANT TO
25 EXPAND THAT. THAT'S ONE OF THE THINGS THAT THEY'VE

1 STATED OVER AND OVER AGAIN, WHICH REQUIRES HUMAN
2 CELLS. AND THIS IS A RICH SOURCE FOR THAT.

3 SO I'M THINKING IF THERE ARE ALTERNATIVES
4 TO MOTHBALLING.

5 DR. CANET-AVILES: WE HAVE BEEN LOOKING AT
6 ALL THE OPTIONS. SO DONATING -- THERE WOULD BE TWO
7 ISSUES RELATED TO TRANSFERRING THE IPS CELL BANK TO
8 ANOTHER MANAGER. ONE IS THE COST, AND THE OTHER IS
9 THE IP. THE DERIVATION IP UNDERLYING THE CIRM IPS
10 CELL LINES, WE ARE BOUND TO THE IP HOLDERS WHICH ARE
11 MANAGED BY FCDI IN TERMS OF MTA'S THAT ARE NEEDED
12 FOR DISTRIBUTING THE CELLS AND THE LICENSES FOR
13 COMMERCIAL ACTIVITIES.

14 AND ALSO, WE WERE NOT GOING TO CHARGE A
15 NEW BANK MANAGER FOR THE CELLS, BUT WE WOULD HAVE TO
16 PAY THEM TO RECEIVE, STORE, AND DISTRIBUTE THE
17 CELLS. SO WE LOOKED INTO ALL THAT. THIS WAS
18 SUMMARIZED. IT WAS GOING TO BE A COST OF THREE TO
19 \$400,000 A YEAR, WHICH ARE A LOT MORE THAN WHAT WE
20 MAKE WITH THE BANK. SO WE DID LOOK INTO
21 TRANSFERRING THE BANK TO ANOTHER BANK MANAGER. WE
22 DID NOT APPROACH THE NIH PER SE. WE DID SPEAK,
23 AMONGST OTHERS, WITH ONE OF THE CELL BANKS THAT THE
24 NIH USES. AND SETTING UP A NEW BANK WOULD HAVE
25 INCURRED, AS I MENTIONED, A LARGE TRANSFER COST,

1 SHIPPING THE CELLS AND SELLING FEES. AND ONCE THE
2 NEW BANKING LOCATION COULD HAVE BEEN ESTABLISHED,
3 RELATIVE LARGE ANNUAL COST COULD HAVE BEEN INCURRED
4 FOR STORING THE CELLS AND DISTRIBUTING THE CELLS,
5 REQUIRING FTE'S, COMPLETING MTA'S, SHIPPING THE
6 CELLS. AND BASED ON HISTORICAL SALES DATA THAT WE
7 HAVE, THE REVENUE COULD NOT COVER THIS COST. AND,
8 AS I MENTIONED, BETWEEN THREE AND \$400,000 A YEAR
9 COULD BE NEEDED TO MANAGE THE BANK.

10 SO, IN CONCLUSION, WE DID NOT FOLLOW THAT
11 MODEL BECAUSE WE COULD NOT OVERCOME THOSE ISSUES.
12 BUT WE HAVE OFFERED A FIRE SALE THAT WE ARE HOPING
13 TO GET AS MANY OF THE IPS CELLS THAT WE HAVE INTO
14 THE LABS, AS MANY AS POSSIBLE, BEFORE THE BANK
15 CLOSES. AND WE WILL STORE USING THIS THIRD PARTY IN
16 COORDINATION WITH FCDI TWO VIALS OF CELLS OF EACH OF
17 THE CIRM IPS CELL LINES. SO THE BANK OR PARTS OF IT
18 COULD BE REVIVED IN THE FUTURE. SO HOPEFULLY THIS
19 EXPLAINS.

20 THIS HAS TAKEN A LOT OF DISCUSSIONS AND A
21 LOT OF CONVERSATIONS. I DON'T KNOW. UTA, SHE'S NOT
22 ON THE CALL, BUT SHE'S BEEN THE MASTER MANAGER OF
23 THIS. THANK YOU ALSO SHYAM PATEL, WHO HAS FOR MANY
24 YEARS BEEN DEALING WITH MANY OF THESE ISSUES, AND
25 OUR LEGAL TEAM ALSO WAS INVOLVED IN THIS. I DON'T

1 KNOW, RAFAEL, IF YOU WANT TO ADD ANYTHING HERE.

2 MR. AGUIRRE-SACASA: NO, ROSA. I THINK
3 YOU DID A GREAT JOB.

4 DR. BLUMENTHAL: THANK YOU, ROSA.

5 DR. LEVITT: THE TECHNOLOGY FOR USING
6 THESE CELLS AND THEN GENERATING ORGANOIDS FROM THESE
7 CELLS IS JUST ADVANCING SO RAPIDLY. SO THAT'S MY
8 ANGST ABOUT THIS.

9 AND I AGREE. IT WAS A ONE-TIME COST TO DO
10 THE TRANSFER, BUT FOR A BANK RECEIVING IT AND THEN
11 EXPECTING CIRM TO PAY WHILE THEY'RE CHARGING IS
12 CRAZY. RIGHT? WE CAN'T DO THAT. THEY SHOULD LOOK
13 AT THIS AS A MAJOR GIFT, IN FACT. AND THEY CAN
14 CHARGE USERS FOR IT, BUT CHARGING US ON AN ANNUAL
15 BASIS FOR STORAGE AND DISTRIBUTION, I AGREE WITH
16 YOU, ROSA, IT DOESN'T MAKE ANY SENSE. IT'S SAD THAT
17 THERE'S NO OTHER OPTION BECAUSE I THINK MY GUESS,
18 JUST MY GUESS, IS THAT THERE'S GOING TO BE AN
19 INCREASED INTEREST IN THOSE LINES BECAUSE, AGAIN,
20 TECHNOLOGY IS BECOMING SO AUTOMATED NOW. AND OTHERS
21 MAY COMMENT ON THIS. IT'S GOING TO BE MUCH MORE
22 STRAIGHTFORWARD TO USE THESE LINES IN A REALLY HIGH
23 THROUGHPUT WAY.

24 ANYWAY, I'M SURE YOU DID ALL THE
25 INVESTIGATION YOU COULD. JUST NOT HAPPY.

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1 DR. CANET-AVILES: I KNOW. I KNOW. I'M
2 SORRY, PAT.

3 DR. BLUMENTHAL: OKAY. ANY OTHER COMMENTS
4 OR QUESTIONS ABOUT THE BUDGET, ADMINISTRATIVE
5 BUDGET? HEARING NONE, I CAN ASK IF THERE ARE ANY
6 PUBLIC COMMENTS ABOUT THE BUDGET.

7 MS. MANDAC: THERE ARE NO HANDS RAISED,
8 GEORGE.

9 DR. BLUMENTHAL: GREAT. SO I THINK WE CAN
10 NOW GO TO A VOTE. SO I'LL CALL UPON SCOTT TO DO A
11 ROLL CALL.

12 MR. TOCHER: CERTAINLY. GEORGE
13 BLUMENTHAL.

14 DR. BLUMENTHAL: YES.

15 MR. TOCHER: MARIA BONNEVILLE.

16 VICE CHAIR BONNEVILLE: YES.

17 MR. TOCHER: DEBORAH DEAS.

18 DR. DEAS: YES.

19 MR. TOCHER: SORRY, DEBORAH. I DIDN'T
20 MEAN TO CALL YOU. THESE LINES ARE AWFULLY SMALL AND
21 MY EYES ARE OLD. SO I INADVERTENTLY SKIPPED A LINE.

22 ANNE-MARIE DULIEGE. JEFF GOLDEN.

23 DR. GOLDEN: YES.

24 MR. TOCHER: VITO IMBASCIANI.

25 CHAIRMAN IMBASCIANI: YES.

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1 MR. TOCHER: JOE PANETTA.

2 MR. PANETTA: YES.

3 MR. TOCHER: THE MOTION CARRIES. THANK
4 YOU VERY MUCH, GEORGE.

5 DR. BLUMENTHAL: OKAY. GREAT. SO I THINK
6 WE CAN NOW MOVE ON TO THE NEXT AGENDA ITEM, WHICH IS
7 THE CONSIDERATION OF THE AWARD MANAGEMENT POLICY.
8 AND I'M GOING TO TURN IT BACK OVER TO MARK.

9 MR. FISCHER-COLBRIE: THANK YOU, GEORGE.
10 AND WITHIN THE CONTEXT OF THE SUPER EXCITING AND
11 HIGH POTENTIAL FOR CONTINUED ADVANCEMENT, THERE IS
12 A NECESSITY TO ACCOMMODATE NEW PROCESSES WITH AN
13 AGGREGATION OF AWARD MANAGEMENT POLICIES THAT NEED
14 TO BE DOCUMENTED AND RATIFIED. SO WITHIN THAT
15 CONTEXT, I'LL HAVE JENNIFER TAKE THE LEAD ON
16 DISCUSSING THOSE ELEMENTS AND THE PROCESS FOR FORMAL
17 AND FINAL RATIFICATION OF THAT POLICY. SO, JENN.

18 MS. J. LEWIS: THANK YOU. THANK YOU,
19 MARK.

20 BEFORE I BEGIN, I WANT TO JUST QUICKLY
21 ACKNOWLEDGE THE EFFORT OF THE CIRM TEAM IN BRINGING
22 THIS NEW AWARD MANAGEMENT POLICY TO THE SUBCOMMITTEE
23 TODAY. THIS POLICY REVISION BEGAN OVER NINE MONTHS
24 AGO AND INVOLVED MEMBERS ACROSS THE ENTIRE CIRM TEAM
25 FROM GRANTS MANAGEMENT TO LEGAL TO BOARD GOVERNANCE

1 TO PROGRAM TO REVIEW. AND IN PARTICULAR I WANT TO
2 ACKNOWLEDGE THE DEDICATED TEAM WHO WEEKLY SPENT TIME
3 ON THIS POLICY, WHICH INCLUDES OUR GENERAL COUNSEL,
4 RAFAEL AGUIRRE-SACASA; DOUG KEARNEY, OUR DIRECTOR OF
5 GRANTS MANAGEMENT; DEPUTY GENERAL COUNSEL, BEN
6 HUANG, AND OUR PROJECT MANAGER HUGHES. AND DOUG AND
7 RAFAEL ARE JOINING ME TODAY. AND LAST, BUT NOT
8 LEAST, SCOTT TOCHER, WHO IS OUR OFFICE OF
9 ADMINISTRATIVE LAW EXPERT, WHO YOU WILL BE HEARING
10 FROM TODAY AS WELL.

11 SO THIS TEAMWORK HAS RESULTED IN THE
12 POLICY REVISIONS PROPOSED IN TODAY'S MATERIALS WHICH
13 INCLUDED THE DRAFT POLICY, THE REDLINE ON THESE
14 CHANGES AGAINST OUR CURRENT GRANTS ADMINISTRATION
15 POLICY, AND AN ACCOMPANYING MEMO SUMMARIZING THE
16 CHANGES. AND MY PRESENTATION TODAY WILL PRESENT THE
17 HIGH LEVEL CHANGES ALONG WITH THE BACKGROUND AND THE
18 APPROVAL PROCESS.

19 SO FIRST I WANTED TO GIVE SOME BACKGROUND.
20 THE GRANTS ADMINISTRATION POLICY IS A SET OF
21 REGULATIONS THAT GOVERN THE MANAGEMENT OF CIRM
22 AWARDS. THE FIRST GRANTS ADMINISTRATION POLICY WAS
23 ADOPTED BY THE ICOC IN 2006 AND WAS DEFINED IN TWO
24 CATEGORIES OF ORGANIZATION TYPES, SO FOR-PROFIT AND
25 NON-PROFIT.

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1 IN 2008 THE ICOC ADOPTED A GRANTS
2 ADMINISTRATION POLICY SPECIFICALLY FOR FACILITIES
3 AND EQUIPMENT GRANTS. THIS WAS IN RESPONSE TO TWO
4 PROGRAMS IN PROP 71, WHICH IS THE MAJOR FACILITIES
5 AND THE SHARED LABS PROGRAMS.

6 IN 2016 THE ICOC ADOPTED OUR CURRENT
7 ACTIVE GRANTS ADMINISTRATION POLICIES WHICH ARE
8 DEFINED IN TWO CATEGORIES, BY CLINICAL TRIAL STAGE
9 PROJECTS AND BY DISCOVERY, TRANSLATION, AND
10 EDUCATION PROJECTS.

11 SINCE THIS IS A REGULATION, A CALIFORNIA
12 STATE REGULATION, CIRM, AS ANY STATE AGENCY, MUST
13 FOLLOW THE CALIFORNIA OFFICE OF ADMINISTRATIVE LAW
14 PROCESS FOR CREATING ANY NEW REGULATION. AND SO I'D
15 LIKE TO HAND IT OVER BRIEFLY TO SCOTT TOCHER TO WALK
16 THIS SUBCOMMITTEE THROUGH THAT PROCESS THAT THIS
17 RECOMMENDATION TODAY WOULD KICK OFF.

18 MR. TOCHER: SURE, JENN. THANKS. YOU
19 KNOW YOU'VE MADE GREAT CAREER MOVES WHEN YOU'RE
20 DESIGNATED AS THE OAL EXPERT IN ANY SETTING. SO
21 I'LL TRY NOT TO BORE ALL OF YOU WITH IT. I THINK
22 THE TAKE-HOME IS IT'S A PROCESS. AND SO THIS WILL
23 TAKE SOME TIME, AND THIS REALLY JUST MARKS THE VERY
24 BEGINNING.

25 THE OAL ADOPTION PROCESS, THAT'S THE

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1 OFFICE OF ADMINISTRATIVE LAW, IS A HIGHLY DETAILED
2 SERIES OF BASICALLY PUBLIC COMMENT PERIODS THAT
3 ENSURES THAT THE PUBLIC HAS A ROLE IN THE MAKING AND
4 SHAPING OF RULES AND REGULATIONS THAT ARE PROPOUNDED
5 BY STATE AGENCIES. SO WHEN THE BOARD AUTHORIZES, AS
6 WE HOPE IT WILL, IN JUNE THE BEGINNING OF THE
7 PROCESS OF AMENDING THIS POLICY, WE WILL THEN TAKE
8 IT TO THE OFFICE OF ADMINISTRATIVE LAW AND BEGIN ITS
9 OVERSIGHT OF THE PROCESS OF AMENDING.

10 THAT CONSISTS OF THEM PUBLISHING OUR
11 INITIAL DRAFT LANGUAGE AND THEN AN ITERATIVE PROCESS
12 THAT INVOLVES THE PUBLIC PROVIDING THEIR COMMENTS ON
13 OUR PROPOSED CHANGES. AND THEN AS WE MAKE ANY
14 ADJUSTMENTS TO OUR LANGUAGE IN RESPONSE TO THAT
15 PUBLIC COMMENT, IT GETS ISSUED AGAIN TO THE PUBLIC
16 AND HELD OPEN FOR SUBSEQUENT COMMENT PERIODS.

17 ONCE THAT PROCESS IS FINISHED AND WE FEEL
18 LIKE ALL THE CHANGES NECESSARY HAVE BEEN MADE AND
19 IT'S REFINED AS MUCH AS IT CAN BE, WE WILL THEN
20 BRING IT BACK TO THE BOARD AND EXPLAIN THE CHANGES
21 THAT WERE MADE DURING THAT PROCESS AND SEEK FINAL
22 BOARD APPROVAL.

23 THAT THEN BOUNCES BACK INTO THE LAP OF THE
24 OFFICE OF ADMINISTRATIVE LAW, AND THEY WILL THEN
25 HAVE 30 BUSINESS DAYS TO REALLY POUR OVER EVERYTHING

1 WITH A FINE-TOOTH COMB TO REVIEW IT FOR STATUTORY
2 AUTHORITY; I.E., DO WE HAVE THE AUTHORITY TO IMPOSE
3 THE REQUIREMENT WE ARE IMPOSING? IS THAT
4 REQUIREMENT SET FORTH IN A CLEAR MANNER THAT WILL BE
5 UNDERSTOOD? AND DOES IT BASICALLY ACHIEVE THE
6 PURPOSE OF THE STATUTE THAT IT IS SUPPOSED TO
7 INTERPRET?

8 AND SO UNDER THOSE STANDARDS, THEN, IT
9 WILL DECIDE WHETHER OR NOT WE NEED TO MAKE ANY
10 FURTHER CLARIFICATIONS OR NOT AND WHETHER IT CAN BE
11 APPROVED.

12 SO THAT PROCESS TYPICALLY, BECAUSE OF THE
13 CADENCE OF THE FULL BOARD MEETINGS AS WELL, WHICH
14 ARE QUARTERLY, MEANS THAT THIS PROCESS USUALLY TAKES
15 ABOUT A FULL YEAR. AND WE CAN TRY TO EXPEDITE THAT
16 IN CERTAIN CASES, BUT WE SHOULD JUST KEEP THAT IN
17 MIND, THAT ON THE OUTSIDE THIS COULD TAKE AS MUCH AS
18 A YEAR. THANK YOU, JENN.

19 MS. J. LEWIS: THANK YOU, SCOTT. WITH
20 THAT, I WANTED TO GIVE A HIGH LEVEL SUMMARY OF THE
21 CONTEXT SETTING FOR THIS AWARD ADMINISTRATION
22 POLICY. SO THE RATIONALE FOR OUR UPDATES IS
23 SHIFTING. YOU WILL SEE THAT THIS IS ONE POLICY. SO
24 CURRENTLY WE USE THREE DIFFERENT GRANTS
25 ADMINISTRATION POLICIES. AND THE GOAL IS TO HAVE

1 ONE UNIFIED, ALL ENCOMPASSING POLICY.

2 THIS HIGH LEVEL POLICY WOULD REMOVE
3 DISTINCTIONS BASED ON ORGANIZATION TYPE OR PROGRAM
4 TYPE OR OTHER UNIQUE COMPONENTS SUCH AS FACILITIES
5 AND SERVICE ALL OF OUR PROGRAM AREAS AND OFFERS
6 CONSISTENCY AND ADAPTABILITY AS THE STRATEGIC
7 ALLOCATION FRAMEWORK IS OPERATIONALIZED AND
8 CONTINUES TO BE OVER THE COMING YEARS.

9 THIS POLICY MAINTAINS THE CHRONOLOGICAL
10 ORGANIZATION OF THE GRANTMAKING PROCESS AS DOES OUR
11 CURRENT POLICY. IT REMOVES DUPLICATIVE REFERENCES
12 TO OTHER POLICIES, SUCH AS REFERENCES TO OUR IP
13 REGULATIONS OR OTHER REGULATIONS THAT ARE ALREADY
14 DOCUMENTED AND PUBLISHED. IT ADDS NEW ELEMENTS FROM
15 THE PROP 14 ERA OF CIRM. IT STREAMLINES LANGUAGE
16 CHOICES AND DEFINITIONS TO BE CONSISTENT AND CLEAR.
17 AND OVERALL OUR GOAL WAS TO HAVE THIS TO BE USER
18 FRIENDLY FOR OUR GRANTEES AND CLEAR, ENFORCEABLE,
19 AND TIMELESS SO IT CAN EVOLVE AS THE ORGANIZATION
20 CONTINUES TO EVOLVE.

21 AND FINALLY, YOU WILL NOTICE THAT WE HAVE
22 RENAMED THIS TO AWARD MANAGEMENT POLICY. AND THE
23 RATIONALE FOR THAT GOES BACK TO CONSISTENCY. IN OUR
24 PREVIOUS POLICY, WE USED AWARD AND GRANT
25 INTERCHANGEABLY, AND WE WANTED TO FOCUS ON ONE CLEAR

1 STATEMENT OF AWARD.

2 SO I'LL START TO REVIEW THE HIGHLIGHTS OF
3 THE CHANGES WITH THIS NEW POLICY. THE FIRST IS
4 DEFINITIONS AND TERMINOLOGY. SO THE FIRST IS THAT
5 WE INTRODUCED A NEW TERM IN THIS PROPOSED POLICY
6 WHICH IS A CRITICAL ROLE. A CRITICAL ROLE IS A
7 SUBSET OF WHAT WE CALL KEY PERSONNEL IN OUR
8 APPLICATIONS, IN OUR GRANTS AND AWARDS THAT HAVE A
9 MINIMUM EFFORT REQUIREMENT AS DESCRIBED IN THE
10 APPROPRIATE PROGRAM ANNOUNCEMENT OR REQUEST FOR
11 APPLICATION. AND THE GOAL OF CREATING THIS
12 DEFINITION IS WE WANTED TO HAVE AN ENFORCEMENT
13 MECHANISM THAT ANY CHANGE IN THAT ROLE FROM OUR
14 PERSPECTIVE COULD CAUSE A SERIOUS DISRUPTION TO THE
15 PROJECT AND ITS OPERATIONS. THEREFORE, THIS NEW
16 TERM ALSO COMES WITH A PRIOR APPROVAL REQUIREMENT
17 FROM CIRM, THAT CIRM WOULD BE REQUIRED TO APPROVE
18 ANY CHANGES TO THESE RULES OR ANY PROPOSED CHANGES
19 IN EFFORT TO THESE REQUIREMENTS.

20 ONE EXAMPLE OF THIS MAY BE OUTSIDE OF THE
21 PROGRAM DIRECTOR AND PI THAT ALREADY ARE NAMED WOULD
22 BE A PROJECT MANAGER OR A DATA MANAGER OF SOME SORT.

23 THE SECOND CHANGE IN TERMINOLOGY IS
24 CLINICAL ADVISORY PANELS WERE CHANGED TO A BROAD
25 DEFINITION OF CIRM EXPERTS. AS MENTIONED IN THE

1 CONCEPTS PRESENTED IN MARCH, THE CLIN2 AND THE PDEV
2 PROGRAMS WILL BE UTILIZING CIRM EXPERTS TO SERVE AS
3 STRATEGIC ADVISORS ON AN AD HOC BASIS TO GUIDE
4 PROJECT DIRECTION AND TO ENSURE ALIGNMENT. AND SO
5 WE'VE ADDED A BROADER DEFINITION THAT CAN BE
6 DEPLOYED AND SPECIFIED AS NEEDED IF THERE'S
7 PARTICULAR REQUIREMENTS IN THE PROGRAM ANNOUNCEMENT.

8 THE NEXT SECTION THAT HAS BEEN UPDATED IS
9 THE APPLICATION REVIEW SECTION. THIS SECTION
10 REMOVES TERMS ASSOCIATED WITH APPLICATION BUDGET
11 REVIEW PROCESS AND SCORING CRITERIA SECTION. THESE
12 HAVE NOT BEEN REMOVED FROM OUR PROCESSES, BUT THEY
13 WERE DUPLICATIVE IN NATURE AS THEY WERE ALREADY
14 SPECIFIED IN OTHER KEY DOCUMENTS, SUCH AS THE
15 PROGRAM ANNOUNCEMENT OR GWG BYLAWS OR CONCEPT PLANS
16 THAT ARE BROUGHT TO THE ICOC.

17 AND LASTLY, THE TERMS AND CONDITIONS
18 SECTION HAS BEEN ADJUSTED, WHICH HAS ADDED A
19 SPECIFIC REQUIREMENT TO ACKNOWLEDGE CIRM IN ANY
20 PUBLIC COMMUNICATIONS, SUCH AS PRESS RELEASES,
21 PUBLICATION CONFERENCE PRESENTATIONS, ET CETERA.

22 THE REASON FOR SPECIFYING THIS IS IT
23 ALLOWS ALL THE FAILURE OF COMPLIANCE TERMS AND
24 CONDITIONS IN THIS POLICY TO APPLY NOW TO THIS
25 REQUIREMENT.

1 AND LASTLY, IN OUR TERMS AND CONDITIONS,
2 WE UPDATED OUR LOAN CONVERSION SECTION. SO THE
3 CURRENT POLICY CONTAINS OUTDATED LIBOR LOAN
4 CONVERSION RATES AS LIBOR NO LONGER EXISTS. AND
5 THIS WAS REPLACED BY THE SECURED OVERNIGHT FINANCING
6 RATE OR SOFR.

7 THE NEXT SET OF CHANGES ARE BUCKETED IN
8 ALLOWABLE AND UNALLOWABLE COSTS. THE CURRENT GRANTS
9 ADMINISTRATION POLICY SPECIFIES THE MAXIMUM SALARY
10 THAT AWARD PERSONNEL CAN CHARGE TO A CIRM AWARD.
11 THIS IS BASED ON THE CALIFORNIA CONSUMER PRICE INDEX
12 WITH A SPECIFIED CALCULATION IN THE POLICY. THIS
13 PROPOSED POLICY ALIGNS WITH THE UCOP HEALTH SCIENCES
14 COMPENSATION PLAN. AS CIRM CAME TO THE BOARD, I
15 BELIEVE IT WAS ABOUT A YEAR AGO IN MARCH, TO ALIGN
16 OUR POST-DOCS AND PRE-DOCS TO UCOP COMPENSATION
17 PLAN, WE WOULD ALSO THINK IT MAKES SENSE TO ALIGN
18 THE SALARIED PERSONNEL ON A PROJECT TO THAT AS WELL.

19 AND WHAT WE LEARNED FROM THAT ACTUALLY IS
20 UCOP USES THAT RATE ALREADY AND USES CALIFORNIA
21 PRICE INDEX. SO WE JUST THOUGHT, INSTEAD OF HAVING
22 A COMPLICATED CALCULATION, WE SHOULD USE THE SAME
23 BENCHMARK THAT'S ALREADY THERE.

24 THE NEXT ITEM THAT HAS BEEN CHANGED IS AN
25 ADDITION OF A NEW PATIENT-QUALIFIED COST TO THE

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1 ALLOWABLE COSTS POLICY. THIS IS SPECIFICALLY FOR
2 PARTICIPATION IN A CIRM-FUNDED TRIAL BY A DONOR,
3 PATIENT, OR CAREGIVER THAT INCLUDE TRAVEL, HOUSING,
4 CHILDCARE, AND MEDICAL CARE. SO THIS ALLOWS THAT
5 THOSE COSTS CAN BE CHARGED TO A CIRM AWARD WHEN
6 APPROPRIATE.

7 ADDITIONALLY, THE UNALLOWABLE COST POLICY
8 SPECIFIES THAT PAYMENTS TO POTENTIAL OR ENROLLED
9 RESEARCH PATIENTS ARE UNALLOWABLE, MEANING THAT YOU
10 CANNOT PAY SOMEONE FOR DIRECT PARTICIPATION IN A
11 TRIAL.

12 LASTLY, THERE'S BEEN A CHANGE -- WE ARE
13 PROPOSING A CHANGE TO THE ALLOWABLE FACILITIES
14 COSTS. THE CURRENT POLICY RELIES ON NON-PROFIT
15 FEDERALLY NEGOTIATED RATES IN ORDER TO DETERMINE THE
16 ALLOWABLE FACILITIES AND COSTS FOR CIRM. THEREFORE,
17 WE ARE PROPOSING TO NO LONGER ACCEPT THE FEDERALLY
18 NEGOTIATED RATES FOR FACILITIES A AND B. WE'RE ALSO
19 PROPOSING THAT NON-PROFITS AND FOR-PROFITS WITHOUT
20 FEDERALLY NEGOTIATED RATES WILL NO LONGER GET THE 35
21 PERCENT AUTOMATICALLY.

22 AND THE REASON WE'RE DOING THAT IS, GIVEN
23 THE EXTERNAL ENVIRONMENT AND PROPOSALS GOING ON AT
24 THE FEDERAL LEVEL, WE WOULD LIKE TO SET FORTH IN
25 THIS POLICY THAT THE ICOC WILL DETERMINE THE

1 ALLOWABLE FACILITIES COSTS BASED ON AN ANALYSIS
2 PROVIDED BY THE CIRM TEAM OF FEDERAL, STATE, AND/OR
3 COMPARATIVE FUNDER OVERHEAD RATES. AND YOU WILL
4 NOTE HERE THAT THIS WOULD BE SOMETHING THAT AS THIS
5 POLICY IS BEING IMPLEMENTED OVER THE NEXT YEAR, THE
6 CIRM TEAM WOULD COME TO THE BOARD FOR AN APPROVAL OF
7 WHAT THAT COST STRUCTURE SHOULD LOOK LIKE.

8 THE NEXT SET OF CHANGES RELATE TO THE
9 STRATEGIC ALLOCATION FRAMEWORK. THE FIRST CHANGE
10 STRENGTHENS THE EQUIPMENT MANAGEMENT SECTION OF THE
11 POLICY TO INCLUDE REQUIREMENT OF Awardees TO HAVE
12 PROCEDURES TO LEVERAGE CIRM-FUNDED EQUIPMENT ON ANY
13 FUTURE CIRM APPLICATIONS AND AWARDS. THIS GOES TO
14 OUR GOAL TO ENSURE THAT OUR INFRASTRUCTURE IS
15 LEVERAGED ACROSS ALL OF OUR CIRM-FUNDED AWARDS AND
16 ACROSS THE RESEARCH PIPELINE.

17 THE SECOND CHANGE HAS BEEN TO ADD A DATA
18 SHARING AND MANAGEMENT SECTION TO SPECIFY REPORTING
19 REQUIREMENTS, IMPOSING NONCOMPLIANCE PENALTIES, AND
20 REQUIRING THAT THE DSMP BE FULLY EXECUTED BY THE
21 CLOSE OF AN AWARD.

22 AND THE LAST SECTION IS FUNDS MANAGEMENT.
23 AND THIS SECTION WE'VE ADDED CLARIFYING LANGUAGE
24 REGARDING THE CLOSEOUT OF AWARDS WHICH SPECIFY THAT
25 TERMINATED AWARDS MUST RELINQUISH THE UNOBLIGATED

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1 BALANCE OWED BY CIRM IF FINAL REPORTING IS NOT
2 RECEIVED WITH 120 DAYS. AND THAT CLOSED AWARDS
3 CANNOT REQUEST A REVISION TO FINANCIAL REPORTING
4 AFTER SIX MONTHS AFTER THE AWARD DATE.

5 AND THEN LASTLY, THE LAST CHANGES SPECIFY
6 THAT CIRM FUNDS MUST BE PLACED IN AN INTEREST
7 BEARING ACCOUNT AND THE AWARDEE MUST TRACK ACCRUED
8 INTEREST. AND ANY INTEREST EARNED CAN BE USED
9 TOWARDS THE AWARD OR MUST BE RETURNED TO CIRM. THIS
10 IS A PRACTICE THAT HAS BEEN IN PLACE, BUT IT'S BEEN
11 STIPULATED IN OUR NOTICE OF AWARD. AND WE WANTED TO
12 MAKE SURE THAT IT WAS INCLUDED IN OUR OVERALL
13 POLICY.

14 AND THEN MY LAST SLIDE IS REGARDING OUR
15 TRAINING GRANT PROGRAMS, SO OUR EDUC2, 3, 4, AND 5
16 PROGRAMS. THE FIRST CHANGE IS TO REMOVE SPECIFIC
17 POLICY LIMITS FOR MENTOR-TO-TRAINEE RATIOS AND ALLOW
18 THE SPECIFIC PROGRAM ANNOUNCEMENT AND RFA TO SPECIFY
19 THOSE RATIOS. CURRENTLY THERE ARE LIMITS IN THE
20 GRANTS ADMINISTRATION POLICY, AND WE BELIEVE THAT
21 FLEXIBILITY IS CRITICAL IN THIS PROGRAM TO ALLOW
22 RESPONSE TO THE EXTERNAL ENVIRONMENT, BUT ALSO TO
23 ALLOW FOR THE UNIQUE PROGRAM CONDITIONS.

24 THE SECOND CHANGE IS TO REMOVE THE
25 DETAILED CALCULATION FOR TUITION AND FEES FROM THE

1 POLICY IN FAVOR OF SPECIFYING THOSE ALLOWABLE
2 CHARGES IN THE PA AND RFA, AGAIN RESPONDING TO
3 CHANGES IN THE ENVIRONMENT THAT CAN HAPPEN OVER
4 TIME.

5 RESEARCH-RELATED ACTIVITY SECTIONS
6 INCLUDES A SPECIFIC INDIRECT COST RECOVERY RATE FOR
7 OUR HOST INSTITUTIONS. SO MEANING THOSE INTERNSHIP
8 SITES. THAT HAS NOT BEEN SPECIFIED IN THIS POLICY
9 AND HAS BEEN AN ISSUE IN MANAGING THESE AWARDS.

10 TRAINEE TRAVEL, WE HAVE NOW SPECIFIED THAT
11 FUNDS FOR TRAVEL THAT ARE ALLOCATED FOR TRAVEL TO
12 THE ANNUAL CIRM-SPONSORED CONFERENCE CAN ALSO BE
13 USED IF THERE ARE REMAINING FUNDS TO COVER OTHER
14 TRAINEE TRAVEL TO A RELATED PROGRAM. SO IF OUR
15 BRIDGES PROGRAM THINKS THAT THERE IS A CONFERENCE
16 THAT'S LOCAL THAT ALL TRAINEES CAN GO TO AND THERE'S
17 FUNDING LEFT OVER, WE WANT TO MAKE SURE THEY CAN USE
18 THE FUNDS.

19 AND THEN CIRM APPROVAL WILL BE REQUIRED
20 ONLY WHEN REBUDGETING FROM TRAINEE-RELATED TRAVEL TO
21 ANOTHER CATEGORY, SUCH AS PROGRAM ADMIN OR INDIRECT
22 COST. WE'D LIKE TO GIVE THE PROGRAM DIRECTORS AND
23 OUR AWARDEES FLEXIBILITY TO REBUDGET BETWEEN TRAINEE
24 COST CATEGORIES. JUST TO RECALL FOR THE
25 SUBCOMMITTEE, THE TRAINEE COSTS IN THESE BUDGETS

1 HAVE STIPENDS AND TUITION AND FEES AND HOST
2 INSTITUTION RATES, AND THEY VARY BY INSTITUTION AND
3 AWARDEE, AND WE WANT TO ALLOW THEM THE FLEXIBILITY
4 TO DO THAT WITHOUT CIRM PRIOR APPROVAL.

5 AND THEN LASTLY, WE SPECIFICALLY ALIGN THE
6 NO COST EXTENSION POLICY FOR OUR TRAINING GRANTS TO
7 ALLOW UP TO 12 MONTHS FOR THESE PROGRAMS TO HAVE AN
8 EXTENSION IF IT'S IN THE BEST -- IN THE SERVICE OF A
9 TRAINEE WHO IS MIDWAY THROUGH THEIR PROGRAM
10 COMPLETING THE ENTIRETY OF THEIR PROGRAM AND
11 FINISHING OUT THAT TERM.

12 AND WITH THAT, THE CIRM TEAM REQUESTS THE
13 SUBCOMMITTEE TO RECOMMEND THE ICOC TO INITIATE THE
14 RULEMAKING PROCESS TO ADOPT THE AWARD MANAGEMENT
15 POLICY. MARK, I'LL HAND IT BACK OVER TO YOU AND
16 HAPPY TO ANSWER ANY QUESTIONS OF THIS COMMITTEE.

17 MR. FISCHER-COLBRIE: GREAT. VERY
18 EFFECTIVE JOB, AND THANKS FOR THE CROSS-FUNCTIONAL
19 ACTIVITIES BECAUSE THIS IS VERY COMPLICATED AS WE'VE
20 SEEN. AND THERE WILL BE A LENGTHY PROCESS TO GET TO
21 THE FINAL RESOLUTION. BUT WITH THAT, I'D LIKE TO
22 GET A MOTION TO ADOPT THESE POLICIES TO CONTINUE THE
23 PROCESS TO GET TO FINAL ADOPTION. SO IF I COULD GET
24 A MOTION.

25 VICE CHAIR BONNEVILLE: SO MOVED.

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1 MR. FISCHER-COLBRIE: SECOND?

2 DR. GOLDEN: I'LL SECOND.

3 MR. FISCHER-COLBRIE: GREAT. WITH THAT,
4 ANY DISCUSSION BY THE COMMITTEE? I'M NOT SEEING
5 ANYTHING. CLAUDETTE, I DON'T KNOW IF THERE'S
6 ANYTHING ON YOUR END FROM THE BOARD OR FROM THE
7 PUBLIC.

8 MS. MANDAC: NO HANDS FOR EITHER.

9 MR. FISCHER-COLBRIE: OKAY. WITH THAT,
10 SCOTT, IF YOU WANT TO PROCEED TO A VOTE.

11 MR. TOCHER: SURE WILL. GEORGE
12 BLUMENTHAL.

13 DR. BLUMENTHAL: I'M SORRY. DID YOU CALL
14 ME? YES.

15 MR. TOCHER: I DID JUST FOR THE VOTE TO
16 RECOMMEND INITIATING THE PROCESS AND RECOMMENDING
17 THAT TO THE BOARD.

18 DR. BLUMENTHAL: YES.

19 MR. TOCHER: MARIA BONNEVILLE.

20 VICE CHAIR BONNEVILLE: YES.

21 MR. TOCHER: DEBORAH DEAS.

22 DR. DEAS: YES.

23 MR. TOCHER: ANNE-MARIE DULIEGE. MARK
24 FISCHER-COLBRIE.

25 MR. FISCHER-COLBRIE: YES.

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1 MR. TOCHER: ELENA FLOWERS.
2 DR. FLOWERS: YES.
3 MR. TOCHER: JUDY GASSON.
4 DR. GASSON: YES.
5 MR. TOCHER: JEFF GOLDEN.
6 DR. GOLDEN: YES.
7 MR. TOCHER: DAVID HIGGINS.
8 DR. HIGGINS: YES.
9 MR. TOCHER: VITO IMBASCIANI.
10 CHAIRMAN IMBASCIANI: YES.
11 MR. TOCHER: PAT LEVITT.
12 DR. LEVITT: YES.
13 MR. TOCHER: CAROLYN MELTZER.
14 DR. MELTZER: YES.
15 MR. TOCHER: CHRIS MIASKOWSKI. JOE
16 PANETTA.
17 MR. PANETTA: YES.
18 MR. TOCHER: SHAUNA STARK.
19 DR. STARK: YES.
20 MR. TOCHER: KAROL WATSON.
21 DR. WATSON: YES.
22 MR. TOCHER: AND KEITH YAMAMOTO.
23 DR. YAMAMOTO: YES.
24 MR. TOCHER: THANK YOU. THE MOTION
25 CARRIES UNANIMOUSLY. BACK TO YOU, MARK AND GEORGE.

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1 MR. FISCHER-COLBRIE: GREAT. I THINK
2 WE'RE AT THE END OF THE AGENDA OR AM I MISSING
3 ANYTHING?

4 DR. THOMAS: MARK, CAN I JUST MAKE ONE
5 QUICK COMMENT?

6 MR. FISCHER-COLBRIE: YOU BET. THANK YOU,
7 J.T. SORRY.

8 DR. THOMAS: I JUST WANT TO THANK JENN AND
9 MICHELLE AND RAFAEL AND DOUG AND ALL THOSE WHO
10 WORKED THESE. AS IS FREQUENTLY THE CASE, AN
11 ENORMOUS AMOUNT OF WORK GETS DISTILLED DOWN INTO A
12 SHORT AND CRISP PRESENTATION. IN THE CASE OF THE
13 REVISIONS, I THINK THEY STARTED IN 2019. SO THIS IS
14 A SIX-YEAR EFFORT THAT YOU JUST WERE THE
15 BENEFICIARIES OF. AND ALL THE WORK THAT JENN AND
16 MICHELLE AND THE FINANCE TEAM DID ON THE BUDGETS IN
17 CONSULTATION WITH RELEVANT BOARD SUBCOMMITTEE CHAIRS
18 AND OTHER MEMBERS OF THE BOARD, I JUST WANT TO THANK
19 OUR TEAM FOR ALL THE HARD WORK BECAUSE IT'S A LOT,
20 AND WE APPRECIATE IT. SO THANK YOU, MARK.

21 MR. FISCHER-COLBRIE: GREAT. WELL SAID.
22 IT'S A HUGE EFFORT AND A THANKLESS TASK. SO THANK
23 YOU.

24 SO WITH THAT, I DON'T KNOW IF THERE'S ANY
25 OTHER CONCLUSION TO FORMALLY CLOSE OUT THE MEETING

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1 WE NEED.

2 MR. TOCHER: WE JUST NEED TO SURVEY FOR
3 PUBLIC COMMENT, WHICH IT DOESN'T APPEAR TO BE ANY.
4 WITH THAT, YOU ARE FREE TO ADJOURN.

5 MR. FISCHER-COLBRIE: GREAT. THANK YOU,
6 EVERYBODY, FOR THOSE ACTIVITIES. VITO, I DON'T KNOW
7 IF I SAW YOUR HAND COME UP OR NOT.

8 CHAIRMAN IMBASCIANI: IT WAS A THANK YOU.

9 MR. FISCHER-COLBRIE: GREAT. GREAT JOB,
10 EVERYONE, AND ON TO THE NEXT MEETING. SO THANK YOU.

11 (THE MEETING WAS THEN CONCLUDED AT 1:33 P.M.)
12
13
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25

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 VIRTUAL PROCEEDINGS BEFORE THE JOINT FINANCE SUBCOMMITTEE AND SCIENCE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON MAY 29, 2025, 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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