

**CIRM Contract Approval Form**

Contractor/Contract Name	PricewaterhouseCoopers
Description of services	<p>To assist CIRM with the development of a proposed 10-year scientific strategic plan that would align its structure and budget with its scientific vision and objectives. Specifically, the contractor will design an information gathering program involving experts (including basic and clinical scientists and scientific administrators) and stakeholders (including patient advocates, ICOC members, potential grantees, and representatives of the public), implement the data gathering through group and individual meetings, assist CIRM staff to develop recommendations for themes and ideas to be incorporated into a draft strategic plan before presenting it to the ICOC for modification, revision and approval.</p> <p>PwC proposes to devote 20% of a senior partner's time to the project and up to three experienced staff that would be on site during the period of the project to ensure sufficient collaboration with, and oversight by, CIRM.</p>
Explanation of reasons for needing service	<p>Developing the data and engaging in the information gathering for a major effort such as this will be very labor intensive. Under Proposition 71, CIRM has limited direct staffing that can be devoted to this effort. In addition, it will be difficult for CIRM to recruit and hire people with the specialized skill sets needed to perform the work of strategic planning, especially for a project of such short duration.</p>
Length of time to perform service(s)	Approximately six months.
Payment terms	PwC has offered to negotiate terms that would defer a substantial portion of their fees and costs until after the completion of the project.
Projected total expenditures	At this time, we estimate that the total costs of the project, including the costs of the contractor, will be no more than \$500,000. If the ICOC agrees to allow us to move forward, we will negotiate with PwC to obtain the lowest possible price.
Explanation of how	Two firms with previous experience in this area were contacted and requested

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<p>contractor was chosen</p>	<p>to design a proposal for how they would help CIRM staff to develop a proposal for the development of a Strategic Plan for presentation to the ICOC. Each of them did so and made in person presentations during the first week in January 2006 to a panel made up of Zach Hall, Arlene Chiu, Gil Sambrano, Robert Klein, Ed Penhoet, Mary Maxon, Amy DuRoss, Amy Lewis and Walter Barnes. After the meetings, each panel member was asked for their opinions about the two firms.</p> <p>Generally there was a consensus that while both were capable of doing the job, that PwC might have more relevant experience in working with public projects with a complex constituency similar to CIRM. Also, they seemed to have more creative ideas on how to approach issues like gathering data from the multiple stakeholders interested in the final plan.</p> <p>Finally, each was requested to provide an estimate of costs and to offer payment alternatives that would address CIRM's cash flow issues. Both agreed to provide payment deferrals until after their work was completed, but PwC's estimate of costs was significantly less than that of the other firm.</p> <p>Based on these factors, we are recommending that we be allowed to negotiate a contract with PwC to provide support services to CIRM's efforts to develop a proposed Strategic Plan for the ICOC's consideration.</p>
<p>Governance Subcommittee approval date</p>	
<p>ICOC Board approval date</p>	