

**REMCHO, JOHANSEN & PURCELL, LLP**  
ATTORNEYS AT LAW

201 DOLORES AVENUE  
SAN LEANDRO, CA 94577  
PHONE: (510) 346-6200  
FAX: (510) 346-6201  
EMAIL: harrison@rjp.com  
WEBSITE: www.rjp.com

SACRAMENTO PHONE: (916) 264-1818

Joseph Remcho (1944-2003)  
Robin B. Johansen  
Kathleen J. Purcell (Ret.)  
James C. Harrison  
Thomas A. Willis  
Karen Getman  
Margaret R. Prinzing  
Kari Krogseng

**MEMORANDUM**

**To:** Members, Governing Board  
California Institute for Regenerative Medicine

**From:** James C. Harrison

**Date:** May 9, 2012

**Re:** Governance Subcommittee Recommendations Regarding: (1) Amendments to CIRM Conflict of Interest Code; (2) Adoption of Board Code of Conduct; and (3) Amendments to Board Bylaws (Our File No.: 2297-0)

---

**INTRODUCTION**

On May 3, 2012, the Governance Subcommittee met to consider: (1) amendments to CIRM's Conflict of Interest Code; (2) adoption of a Board Code of Conduct; and (3) amendments to the Board's Bylaws. By a unanimous vote of the nine members present, the Governance Subcommittee recommended approval of these proposals, including a modification to the proposed amendments to CIRM's Conflict of Interest Code. Each of these items is described below.

**PROPOSED ACTIONS**

**A. Proposed Amendments to CIRM's Conflict of Interest Code**

As required by the Political Reform Act, the Governing Board adopted a Conflict of Interest Code for CIRM in 2005. The Code describes the types of financial interests that members of the Governing Board and CIRM employees must disclose on their annual statements of economic interests (Form 700), and it is one of the means by which members and employees identify potential conflicts of interest.

The Political Reform Act also requires every state agency to review its conflict of interest code biennially to examine and amend the code to accurately reflect the current organization of the agency and to determine the appropriate level of disclosure of financial

interests in light of the duties and responsibilities of the employees of the agency and the members of its governing board.

The Fair Political Practices Commission (FPPC), which enforces the Political Reform Act, is responsible for approving CIRM's Conflict of Interest Code, along with the codes of other agencies. In accordance with the process established by the FPPC for assisting agencies conduct this examination, counsel met with FPPC staff, who recommended that CIRM amend its Code to eliminate the broadest disclosure category (which requires disclosure of financial interests in businesses and sources of income that do business or are likely to do business in California) and instead require members of CIRM's Governing Board and staff to disclose only their financial interests in businesses and sources of income that are of the type to provide goods or services to CIRM or to apply for CIRM funds and in biotech and pharmaceutical companies.

The proposed amendments to CIRM's Conflict of Interest Code are consistent with the FPPC's position that agencies should tailor their disclosure categories to the type of work performed by the agency and to avoid burdensome disclosure. Many state agencies have followed this advice. For example, CalPERS's conflict of interest code requires CalPERS officials to disclose investments in, and income from, entities that are of the type with which CalPERS contracts and entities in which funds administered by CalPERS could be invested. Likewise, the State Board of Education requires its members to disclose investments, business positions, and income from a publisher, manufacturer, or vendor of instructional materials, or services offered to educational institutions in the State of California and investments, positions of management, and income from any private school in the State of California. Similar to these codes, the FPPC proposed that CIRM's Code be tailored to the nature of CIRM's work.

The Chair of the Governance Subcommittee, Sherry Lansing, expressed her appreciation for the FPPC's assistance, but expressed the view that CIRM should continue to set an example by requiring the broadest disclosure of members of the Governing Board and high level staff because of CIRM's unique mission and the agency's longstanding commitment to transparency.

The members of the Subcommittee agreed with the Chair's suggestion, and by a unanimous vote of the members present, approved a motion recommending that the Board maintain the broadest disclosure level for members of the Governing Board and executive staff and proceed only with the technical amendments to the Conflict of Interest Code, including reviewing the appropriate disclosure levels for non-executive staff. A draft of the proposed amendments to the Conflict of Interest Code is attached as Attachment A.

#### **B. Proposed Adoption of Board Code of Conduct**

At its meeting on June 13, 2011, the Governance Subcommittee considered a draft Code of Conduct for the Governing Board. Many government agencies and non-profit

organizations have adopted similar codes, and such codes are widely considered to be “best practices” for organizations like CIRM. In preparing the draft Code of Conduct, we surveyed numerous codes, including those of other state agencies, such as the Regents of the University of California and the California Board of Chiropractic Examiners, as well as non-profit organizations and other governmental organizations, such as the International Monetary Fund. We adopted provisions from the codes of these organizations and included others as well that are suitable to CIRM.

At the conclusion of the June 2011 Governance Subcommittee meeting, the Chair requested that we revise the Code of Conduct to address concerns raised by members of the Subcommittee. Based on this direction, we revised the Code of Conduct in an effort to address the concerns raised by members and presented it to the Governance Subcommittee for its consideration at the May 3, 2012 meeting. By a unanimous vote of the members present (9-0), the Subcommittee recommended that the Board approve the Code of Conduct. A copy of the proposed Code of Conduct is attached as Attachment B.

### **C. Proposed Amendments to Board Bylaws**

In 2005, the Governing Board adopted bylaws to govern the Board’s operations. At the time, the Board established two standing subcommittees – the Governance Subcommittee and the Legislative Subcommittee – and authorized the creation of additional subcommittees as the Board determined necessary. (Bylaws, art. VI.) Under the Board’s bylaws, the Governance Subcommittee has the responsibility to review CIRM’s budget and internal controls. (*Id.*, art. VI, § 4.) In 2007, however, the Board established the Finance Subcommittee, and for the last several years, the Finance Subcommittee has undertaken that responsibility. The Finance Subcommittee has recommended that the Board modify the Finance Subcommittee’s mission statement to reflect current practice by providing that the Finance Subcommittee will review CIRM’s budget and cost control programs. In order to conform the Board’s bylaws with current practice and the proposed amendment to the Finance Subcommittee’s mission statement, we proposed that the Governance Subcommittee recommend approval of amendments to the Board’s bylaws to remove the responsibility for the review of CIRM’s budget and internal controls from the jurisdiction of the Governance Subcommittee.

We also proposed that the Governance Subcommittee recommend amending article IV, section 7 of the bylaws to clarify that the \$15,000 per year cap on compensation for service on the Grants Working Group by the Patient Advocate members of the Governing Board, excluding the Chair and Vice Chair, applies on a fiscal year basis. Currently, the provision is silent as to whether it applies on a fiscal year or calendar year basis. Because CIRM budgets on a fiscal year basis, we proposed to apply the cap on a fiscal year basis as well.

At its meeting on May 3, 2012, the Governance Subcommittee, by a unanimous vote of the members present (9-0), recommended that the Board approve the proposed

amendments to the Board's bylaws. A copy of the Board's bylaws reflecting the proposed amendments is attached as Attachment C.

**RECOMMENDED ACTIONS**

**CIRM Conflict of Interest Code:** Maintain Disclosure Category 1 in CIRM Conflict of Interest Code for Board members and executive staff and proceed with technical amendments to the Code, including consideration of the appropriate level of disclosure for non-executive staff.

**Board Code of Conduct:** Adopt the Board Code of Conduct.

**Board Bylaws:** Approve the proposed amendments to the Board bylaws.

Attachments

ATTACHMENT A

**Conflict of Interest Code of  
The California Institute for Regenerative Medicine**

The terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission except as set forth in chapter 3, article 1, subdivision (g), of Proposition 71, which was approved by the voters on November 2, 2004, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the California Institute for Regenerative Medicine ("CIRM").

The Board Members, including the Chairman of the Independent Citizens Oversight Committee, and President of CIRM, shall file statements of economic interests with CIRM, which shall make and retain a copy and forward the original to the Fair Political Practices Commission, which shall be the filing officer.

All other designated employees shall file statements of economic interests with the California Institute for Regenerative Medicine, which shall be the filing officer.

**Deleted:** and  
**Deleted:** President  
**Deleted:** the California Institute for Regenerative  
Medicine

ATTACHMENT A

Designated employees Disclosure Category

*ICOC*

|                  |   |
|------------------|---|
| Chair, ICOC      | 1 |
| Vice Chair, ICOC | 1 |
| Member, ICOC     | 1 |

*Office of the Chair*

|  |   |
|--|---|
| Executive Assistant to the Chair and Assistant Secretary             | 3 |
| Executive Director, ICOC Board                                       | 1 |
| Legal Counsel to the Chair   | 1 |
| Deputy to the Chair-Finance, Policy and Outreach                     | 1 |
| Senior Director of Public Communications & Patient Advocate Outreach | 1 |
| Executive Assistant to the Vice Chair                                | 3 |
| Administrative Assistant   | 3 |
| Senior Science and Education Communications Officer                  | 3 |
| Communications Manager   | 3 |
| Multi-media Editor   | 3 |

*Office of the President*

|  |   |
|--|---|
| President  | 1 |
| General Counsel and Vice President of Business Development | 1 |
| Deputy General Counsel                                     | 1 |
| Paralegal/Contracts Administrator                          | 3 |
| Special Projects Officer to the President                  | 1 |
| Senior Executive Assistant to the President                | 3 |
| Administrative Assistant to the General Counsel            | 3 |

*Science Office*

|   |   |
|---|---|
| Senior Vice President of Research and Development | 1 |
| Executive Director, Scientific Activities         | 1 |
| Associate Director-Development                    | 1 |
| Associate Director-Research                       | 1 |
| Science Officer I, II                             | 1 |
| Senior Development Officer                        | 1 |
| Medical Officer                                   | 1 |
| Senior Review Officer                             | 1 |

ATTACHMENT A

|  |   |
|--|---|
| Senior Officer for Medical & Ethical Standards | 2 |
| Science Associate                              | 1 |
| Program Manager                                | 1 |
| Grants Management Officer                      | 1 |
| Deputy Grants Management Officer               | 1 |
| Grants Management Specialist I, II             | 2 |
| Grants Review Specialist I, II                 | 1 |
| Administrative Assistant                       | 3 |
| Grants Technical Assistant                     | 3 |
| Facilities Analyst                             | 3 |

*Finance and Administration*

|  |   |
|--|---|
| Chief Financial Officer                                      | 1 |
| Finance Officer  | 3 |
| Financial Services Officer                                   | 3 |
| Chief Human Resources Officer                                | 3 |
| Office Manager   | 3 |
| Administrative Coordinator/Senior Administrative Coordinator | 3 |

*Consultant*

1

Consultants shall disclose pursuant to the broadest disclosure category in the CIRM conflict of interest code, subject to the following limitations: The agency President may determine in writing that a particular consultant, although a designated employee, is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The determination of the President is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

|

## ATTACHMENT A

### Disclosure Categories

#### Category 1

A designated employee in this category shall report:

All investments, business positions, and income, including gifts, loans and travel payments; and all interests in real property located in the state of California, as defined in the Political Reform Act and the FPPC's regulations.

#### Category 2

A designated employee in this category shall report:

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or source of income is of the type to receive grants or other monies from or through the California Institute for Regenerative Medicine; ~~and~~

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or the source of income is of the type to offer or provide facilities, services, goods or products purchased or used, or contracted for, by the California Institute for Regenerative Medicine, and is providing or planning to provide such facilities, services, goods or products; and

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or source of income is engaged in biomedical research or manufacturing biomedical pharmaceuticals.

#### Category 3

A designated employee in this category shall report:

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or source of income is engaged in biomedical research or manufacturing biomedical pharmaceuticals.

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or the source of income is of the type to offer or provide facilities, services, goods or products purchased or used, or contracted for, by the California Institute for Regenerative Medicine, and is providing or is planning to provide such facilities, services, goods or products.

#### Category 4

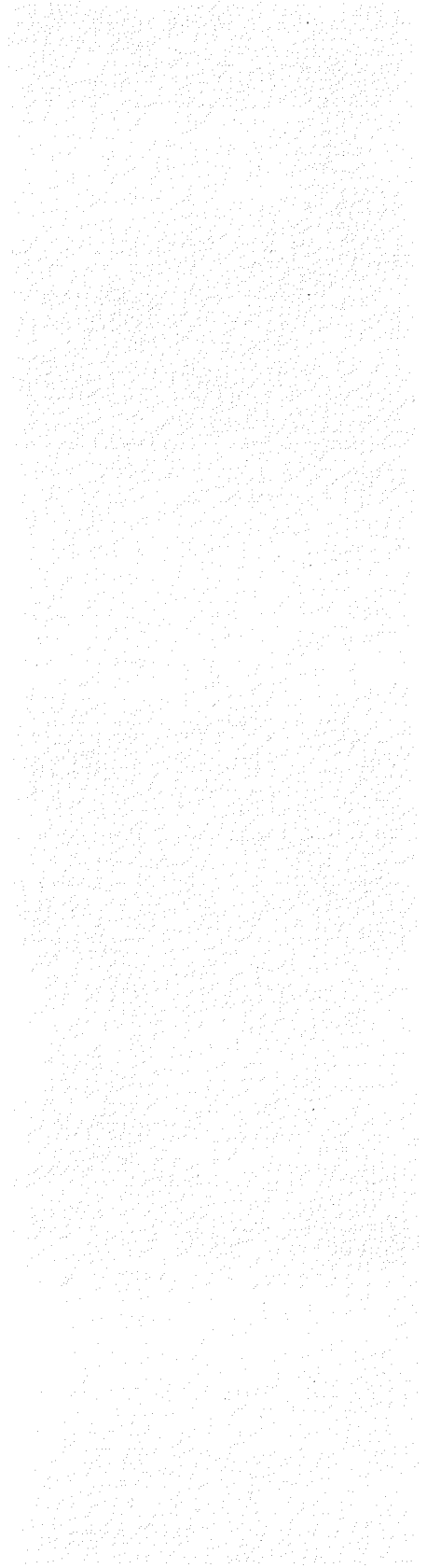
A designated employee in this category shall report:

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or the source of income is of the type to offer or provide



ATTACHMENT A

facilities, services, goods or products purchased or used, or contracted for, by the California Institute for Regenerative Medicine, and is providing or is planning to provide such facilities, services, goods or products.



## ATTACHMENT B

### **Board Member Code of Conduct**

In the performance of their duties, Members of the Board serve as trustees of the people of the State of California and are expected to carry out the mandate of CIRM to the best of their ability and judgment and in the best interests of the people of California, and to maintain the highest standards of integrity and professionalism.

Members of the Board are expected to regularly attend and actively participate in Board meetings and meetings of subcommittees and working groups of which they are members. Board Members are also welcome to attend meetings of other subcommittees but they are not required or expected to do so. Board Members are also encouraged to attend and participate in other CIRM events, including workshops and public hearings.

If a Member of the Board has the ability to appoint an alternate and is unable to attend a meeting of the Board or a subcommittee of which he or she is a member, he or she should request that his or her alternate attend the meeting.

Members of the Board are responsible for protecting the security of any confidential information provided to them as Members of the Board.

When making public statements or speaking to the media on CIRM-related matters, Board Members should make clear whether they are speaking in their personal capacity or, if authorized to do so, on behalf of the Board.

Board Members are encouraged to communicate with CIRM staff if they have questions. Requests for staff to perform specific tasks, however, should be coordinated through the Office of the Chair, which will work with the Office of the President to ensure that the task is considered in a timely manner and is completed consistent with other demands on the time of CIRM management and staff and their prior commitments.

**BYLAWS**

**INDEPENDENT CITIZEN’S OVERSIGHT COMMITTEE**  
**(CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE)**

**ARTICLE I: AUTHORITY**

**Section 1.** The California Institute for Regenerative Medicine (the “Institute”) was established by the California Constitution. (California Constitution, article XXXV, section 1.)

**Section 2.** The Independent Citizen’s Oversight Committee (the “ICOC”) for the Institute was created by the California Stem Cell Research and Cures Act (the “Act”). (Health & Safety Code section 125290.10 to section 125290.70.)

**ARTICLE II: PURPOSES**

**Section 1.** The purposes of the Institute are the following:

- (a) To make grants and loans for stem cell research, for research facilities, and for other vital research opportunities to realize therapies, protocols, and/or medical procedures that will result in, as speedily as possible, the cure for, and/or substantial mitigation of, major diseases, injuries, and orphan diseases.
- (b) To support all stages of the process of developing cures, from laboratory research through successful clinical trials.
- (c) To establish the appropriate regulatory standards and oversight bodies for research and facilities development.

(California Constitution, article XXXV, section 2.)

**Section 2.** The purpose of the ICOC is to govern the Institute. (Health & Safety Code section 125290.15.)

**ARTICLE III: FUNCTIONS**

The ICOC shall perform the following functions:

- (a) Oversee the operations of the institute.
- (b) Develop annual and long-term strategic research and financial plans for the institute.
- (c) Make final decisions on research standards and grant awards in California.
- (d) Ensure the completion of an annual financial audit of the institute’s operations.
- (e) Issue public reports on the activities of the institute.
- (f) Establish policies regarding intellectual property rights arising from research funded by the institute.

Proposed Amendment 5.24.12

- (g) Establish rules and guidelines for the operation of the ICOC and its working groups.
  - (h) Perform all other acts necessary or appropriate in the exercise of its power, authority, and jurisdiction over the institute.
  - (i) Select members of the working groups.
  - (j) Adopt, amend, and rescind rules and regulations to carry out the purposes and provisions of this chapter, and to govern the procedures of the ICOC.
  - (k) Request the issuance of bonds from the California Stem Cell Research and Cures Finance Committee and loans from the Pooled Money Investment Board.
  - (m) Modify as it sees appropriate its funding and finance programs to optimize the institute's ability to achieve the objective that its activities be revenue-positive for the State of California during its first five years of operation without jeopardizing the progress of its core medical and scientific research program.
  - (n) Accept additional revenue and real and personal property, including, but not limited to, gifts, royalties, interest, and appropriations that may be used to supplement annual research grant funding and the operations of the institute.
- (Health & Safety Code section 125290.40.)

**ARTICLE IV: MEMBERS**

**Section 1. (Appointment)** The ICOC shall have 29 members appointed as set forth in the Act. (Health & Safety Code section 125290.20, subdivision (a).) A short summary of persons making appointments, nominations and elections and the respective appointees is attached as Exhibit A to these Bylaws for reference.

**Section 2. (Delegation of Authority)** Any ICOC member who is an executive officer of a California university, a nonprofit research institution or life science commercial entity may from time to time delegate those duties to an executive officer of the entity or to the dean of the medical school, as applicable (an "alternate"). (Health & Safety Code section 125290.20(a), subdivision (2)(D).) An ICOC member may not have more than one alternate at any one time. An ICOC member who has been elected by the ICOC to the office of Bylaws Vice Chairperson may not delegate the duties of that office, but may delegate his or her duties as an ICOC member as authorized by this section.

**Section 3. (Oath of Allegiance)** Each ICOC member and alternate shall take the oath of allegiance required by the California Constitution. (California Constitution, article XX, section 3)

**Section 4. (Conflict of Interest Code)** The Act provides that the California Political Reform Act (the "PRA"; Government Code section 81000 through section 91014) shall apply to the Institute and to the ICOC except as provided in section 125290.30 of the Act and in subdivision (e) of section 125290.50 of the Act. (Health & Safety Code section 125290.30, subdivision (g).) The PRA requires state and local governmental agencies to adopt and promulgate conflict of interest codes. Each ICOC member and alternate shall file a statement of

economic interest as required by any conflict of interest code adopted by the ICOC pursuant to the PRA.

**Section 6. (Conflict of Interest Policy)** Each ICOC member shall abide by the “Conflict of Interest Policy” adopted by the ICOC and attached as Exhibit B to these Bylaws.

**Section 5. (Vacancies)** If a vacancy occurs within a term and has not been filled in accordance with the Act, the ICOC shall proceed to operate with the remaining members, provided that at least 60 percent of the members have been appointed. (Health & Safety Code section 125290.20(b), subdivision (1).)

**Section 6. (Expiration of Term)** ICOC members whose terms have expired shall continue to serve until their replacements are appointed. (Health & Safety Code section 125290.20(b), subdivision (3).)

**Section 7. (Compensation and Expenses)** (a) As required in the Act, each member and alternate of the ICOC, except the Chairperson and Statutory Vice Chairperson, shall receive a per diem of one hundred dollars (\$100) per day for each day actually spent in the discharge of the member’s or alternate’s duties, plus reasonable and necessary travel and other expenses incurred in the performance of the member’s or alternate’s duties. (Health & Safety Code section 125290.45, subdivision (b)(2).) Therefore, each member and alternate shall be paid \$100 for the following:

- (1) Any day on which a member attends a meeting of the full ICOC, an ICOC subcommittee or an ICOC working group to which the member is appointed or performs an activity which has been pre-determined by the Chairperson as a discharge of the member’s duties..
- (2) Any day in which the member is engaged in additional activities that have been approved in advance by the Chairperson to be a discharge of the members’ duties.

(b) Furthermore, each member and alternate shall be paid \$12.50 per hour for time spent in preparation for a meeting of the full ICOC, an ICOC subcommittee, or an ICOC working group to which the member or alternate is appointed.

(c) The dollar amounts in subdivisions (a) and (b) shall be adjusted annually by multiplying them by a fraction, the denominator of which is the 2004 Annual Average, California Consumer Price Index - California, All Items (Los Angeles-Riverside-Orange County, San Francisco-Oakland-San Jose, San Diego (1982-84=100)) (the “Annual Index”) as prepared by the Division of Labor Statistics and Research in the California Department of Industrial Relations and the numerator of which is the Annual Index published for each subsequent year in which the adjustment is to be computed and made. The resulting daily and hourly figures will be carried two decimal places and rounded up or down to the next whole dollar (.50 and above will be rounded up; less than .50 will be rounded down). In no instance will the computation for an hourly activity exceed the amount available for a daily meeting. The new daily and hourly per diems will become effective in the month following the month in which the Annual Index is published.

(d) In lieu of the per diem provided for in subdivisions (a) and (b), the Board may establish a daily consulting rate for ICOC members of the Grants Working Group and the ICOC co-chairs

of the Standards Working Group and the Facilities Working Group, excluding the Chair and Vice Chairs of the Board, for the time spent by the ICOC members of the working groups in service on the working groups, provided that:

1. The Board determines, on an individual basis and at a public meeting, that the ICOC member's service on the working group requires an extraordinary commitment of time;

2. The daily consulting rate for the ICOC member does not exceed seventy-five percent (75%) of the daily consulting rate established for scientific members of the Grants Working Group pursuant to article VII, section 4 of these Bylaws; and

3. Total compensation to an ICOC member for his or her service on a working group shall not exceed \$15,000 per fiscal year unless the ICOC approves an exception at a public meeting.

(e) Subdivision (d) shall become effective only upon the enactment of Senate Bill No. 1064.

#### ARTICLE V MEETINGS

**Section 1. (Regular Meetings)** The ICOC shall hold at least two public meetings per year, one of which will be designated as the Institute's annual meeting. The ICOC may hold additional meetings as it determines are necessary or appropriate. (Health & Safety Code section 125290.30, subdivision (d)(1).) Regular meetings shall be attended in person by ICOC members or by their alternates, except as provided in Exhibit C (Policy for Teleconference Participation in Regular ICOC Meetings).

**Section 2. (Open and Closed Meetings)** (a) All meetings of the ICOC, except those closed sessions described below or otherwise permitted by law, shall be open and public and in conformance with law. (Health & Safety Code section 125290.30(d).) In particular, all open meetings shall conform to the Bagley-Keene Open Meeting Act, including requirements for notice of meetings, preparation and distribution of agendas and written materials, inspection of public records, closed sessions and emergency meetings, maintenance of records, and disruption of a public meeting. The public shall be invited to comment upon each item on the agenda and each individual speaker so commenting may be required to limit their comments to as few as three minutes.

(b) The ICOC shall award all grants, loans, and contracts in public meetings and shall adopt all governance, scientific, medical, and regulatory standards in public meetings. (Health & Safety Code section 125290.30, subdivision (d)(3).)

(c) The ICOC may conduct closed sessions as permitted by the Bagley-Keene Open Meeting Act. (Government Code section 11126.) In addition, the ICOC may conduct closed sessions when it meets to consider or discuss:

(1) Matters involving information relating to patients or medical subjects, the disclosure of which would constitute an unwarranted invasion of personal privacy.

Proposed Amendment 5.24.12

- (2) Matters involving confidential intellectual property or work product, whether patentable or not, including, but not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information, which is not patented, which is known only to certain individuals who are using it to fabricate, produce, or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know it or use it.
- (3) Matters involving prepublication, confidential scientific research or data.
- (4) Matters concerning the appointment, employment, performance, compensation, or dismissal of institute officers and employees; however, action on compensation of the institute's officers and employees shall only be taken in open session.

**Section 3. (Teleconference Meetings)** Teleconference meetings shall be held for the benefit of the ICOC and the public as determined by the Chairperson or the chair of a subcommittee where applicable. Generally, teleconference meetings shall be attended from locations within the State of California. The Chairperson or the chair of a subcommittee where applicable may make exceptions to this rule for ICOC members traveling out of state who have a particularly important connection to an issue under discussion. Such exceptions shall be discouraged, however, because of the positive benefits to the ICOC and the public of conducting in-person meetings for final approval of ICOC decisions.

**Section 4. (Notice of Meetings)** At least 10 days in advance of each regular meeting of the ICOC, notice of the meeting shall be given to any person or organization who requests that notice in writing and also made available on the Internet. The notice shall include the name, address, and telephone number of any person who can provide further information prior to the meeting and a specific agenda for the meeting, containing a brief description of the items of business to be transacted or discussed in either open or closed session. The written notice shall additionally include the address of the Internet site where notices required by this article are made available and otherwise comply with the Bagley-Keene Open Meeting Act. If the agenda for any meeting includes consideration of any amendment to the "policy enhancements" adopted by the ICOC at its July 12, 2005, and August 5, 2005, meetings, notice of the meeting shall also be given to the President pro Tempore of the California Senate and the Speaker of the California Assembly at least 10 days in advance of the meeting.

**Section 5. (Special and Emergency Meetings)** Special and emergency meetings may be called by the Chair if compliance with the 10-day notice would impose a substantial hardship on the ICOC or if immediate action is required to protect the public interest. These meetings shall conform to the requirements of the Bagley-Keene Open Meeting Act (Government Code section 11120 through section 11132) applicable to special and emergency meetings.

**Section 6. (Quorum)** A quorum of the ICOC shall be at least sixty five percent (65%) of the ICOC members who are eligible to vote. (Health & Safety Code section 125292.10, subdivision (s).)

**Section 7. (Voting) (a)** All actions of the ICOC shall be taken at properly called meetings at which there is a quorum. Unless a greater number is required by the Act or these Bylaws, the

Proposed Amendment 5.24.12

ICOC shall act by a majority vote of all members present. Amendments to pending motions may be made with the concurrence of the maker of the motion and the second, unless a member of the ICOC requests a vote on the proposed amendment, in which case, action on the proposed amendment shall be taken by a majority vote of all members present before the vote on the pending motion. Amendments to the "policy enhancements" adopted by the ICOC at its July 12, 2005, and August 5, 2005, meetings shall only be made by a vote of seventy percent (70%) of all members present.

(b) Provided that five or fewer members have a need to place their vote before the debate has concluded and provided that the Board has taken a sampling of public comment both for and against the motion at the instant meeting or at an earlier meeting, the Chair may open the roll to record the votes of members who have to leave a meeting under one or more of the following circumstances:

1. The Board has had a prior discussion regarding the matter under consideration and has had an opportunity to review written materials in advance of the meeting; or

2. It is critical to the agency's mission for the Board to take action on the matter at the meeting and there will be another opportunity for the Board to revisit the matter in the future.

When the roll has been opened before debate has been completed, the Board shall take additional public comment before the roll call vote is concluded.

(c) In addition, the Chair may leave the roll open after debate has concluded in order to permit a member to participate in the vote.

**Section 8. (Rules of Order)** Debate and proceedings before the ICOC shall be conducted in accordance with Robert's Rules of Order Newly Revised (10<sup>th</sup> Edition) except to the extent in conflict with the Act, these Bylaws, other rules of the ICOC or other statutory requirements.

#### ARTICLE VI SUBCOMMITTEES

**Section 1. (Establishment)** The ICOC may establish subcommittees to facilitate the work of the board. The ICOC shall determine the size, mission, and jurisdiction of each subcommittee, including whether it exercises advisory or delegated power. The chairperson of a subcommittee may expand the size of the subcommittee, with the concurrence of the Chairperson of the ICOC, in order to obtain specific expertise that is not otherwise represented on the subcommittee, subject to the right of the ICOC thereafter to expand or reduce the size of the subcommittee.

**Section 2. (Members)** For each subcommittee (other than the Governance Subcommittee), the ICOC shall appoint the chairperson of the subcommittee based upon the recommendations of the members of the ICOC. The chairperson of the subcommittee shall then appoint the other members of the subcommittee with the concurrence of the Chairperson. Members of the ICOC may volunteer for service on subcommittees. If the ICOC reduces the size of a subcommittee, the ICOC shall determine the membership of the subcommittee.