CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE

March 18, 2011

Sherry Lansing
2121 Avenue of the Stars, Suite 2020
Los Angeles, CA 90067

Dear Sherry:

As you know, the Board recently voted to establish a percent effort and salary range for the next Chair and has requested that the Governor, the Lieutenant Governor, the Controller and the Treasurer nominate candidates by April 11, 2011.

Bob Klein has served as Chair of CIRM's Governing Board since its inception in December 2004, and served without pay from December 2004 until December 2008. Between December 2008 and December 2010, he received $150,000 per year for 50 percent effort, and he is now once again volunteering his time to serve as Chair. Over the last six years, Bob has devoted significantly more than 50 percent of my time acting as Chair of CIRM's Governing Board.

We are fortunate that Bob had the resources necessary to serve under these circumstances. It is very important, however, for CIRM to have the right leadership and not to limit our choice to individuals who have sufficient personal wealth to serve for little or no compensation. CIRM is at a critical juncture as it moves towards the funding of human clinical trials. Given the complexity of this effort and the importance of providing rigorous oversight, it is essential for CIRM's Governing Board to have strong leadership.

We are also cognizant of the difficult financial situation confronting the State and the need for agencies like CIRM to ensure fiscal restraint. In an effort to harmonize these goals, we propose that the Governance Subcommittee consider recommending to the Board that CIRM use donor funds to pay for any salary for the Chair in excess of $150,000. CIRM has been fortunate to receive financial support from several philanthropists and has sufficient donor funds in reserve to meet this critical need.

We look forward to discussing this proposal with you at the next meeting of the Governance Subcommittee. Thank you for your consideration.

Sincerely,

Robert N. Klein   Art Torres   Ted Love
Chair   Vice Chair   Vice Chair
Governing Board   Governing Board   Evaluation Subcommittee