

CURE

Beyond
CIRM 2.0
CALIFORNIA'S STEM CELL AGENCY

now it's personal

2017 Funding Allocation Recommendations

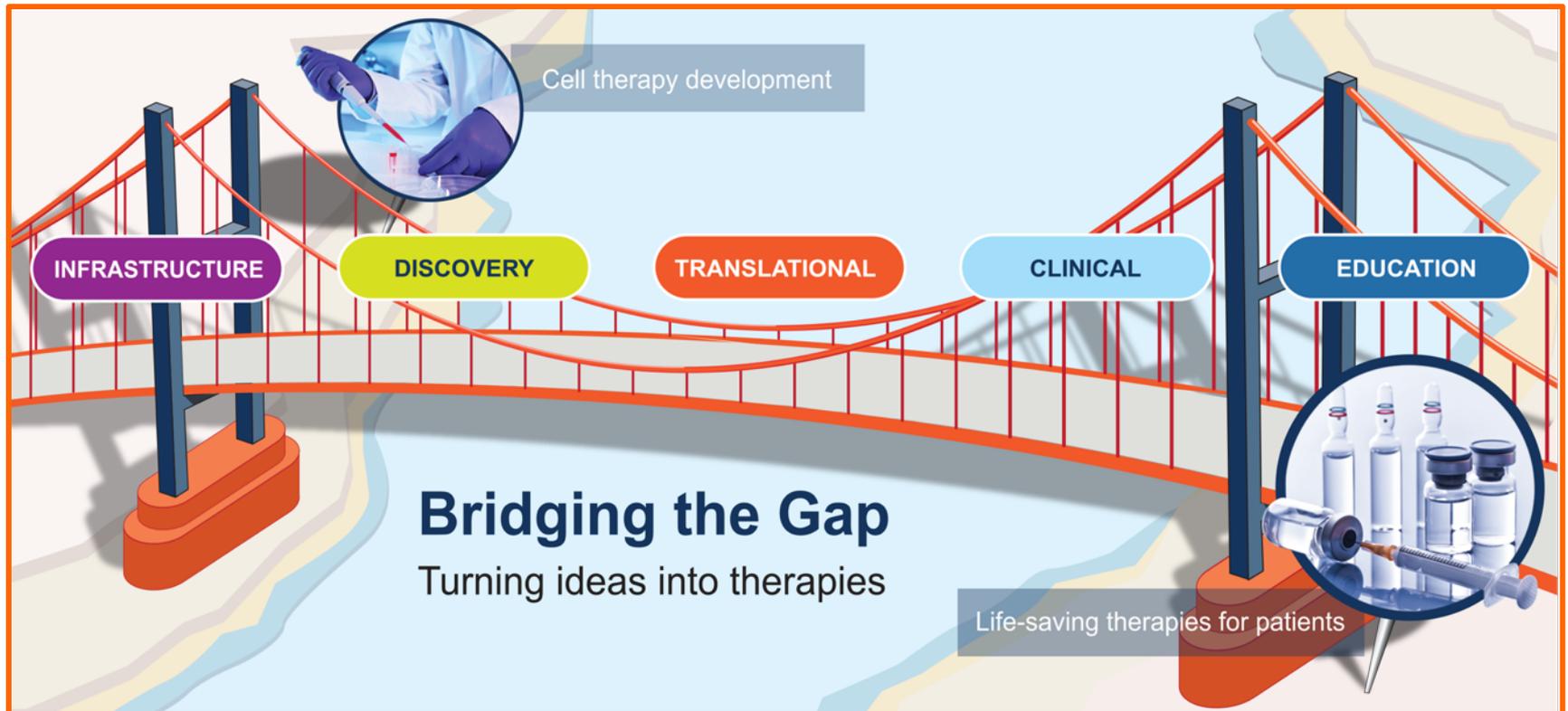
C. Randal Mills, Ph.D.
President and Chief Executive Officer



HOPE

The CIRM Spectrum

Five basic pillars of investment



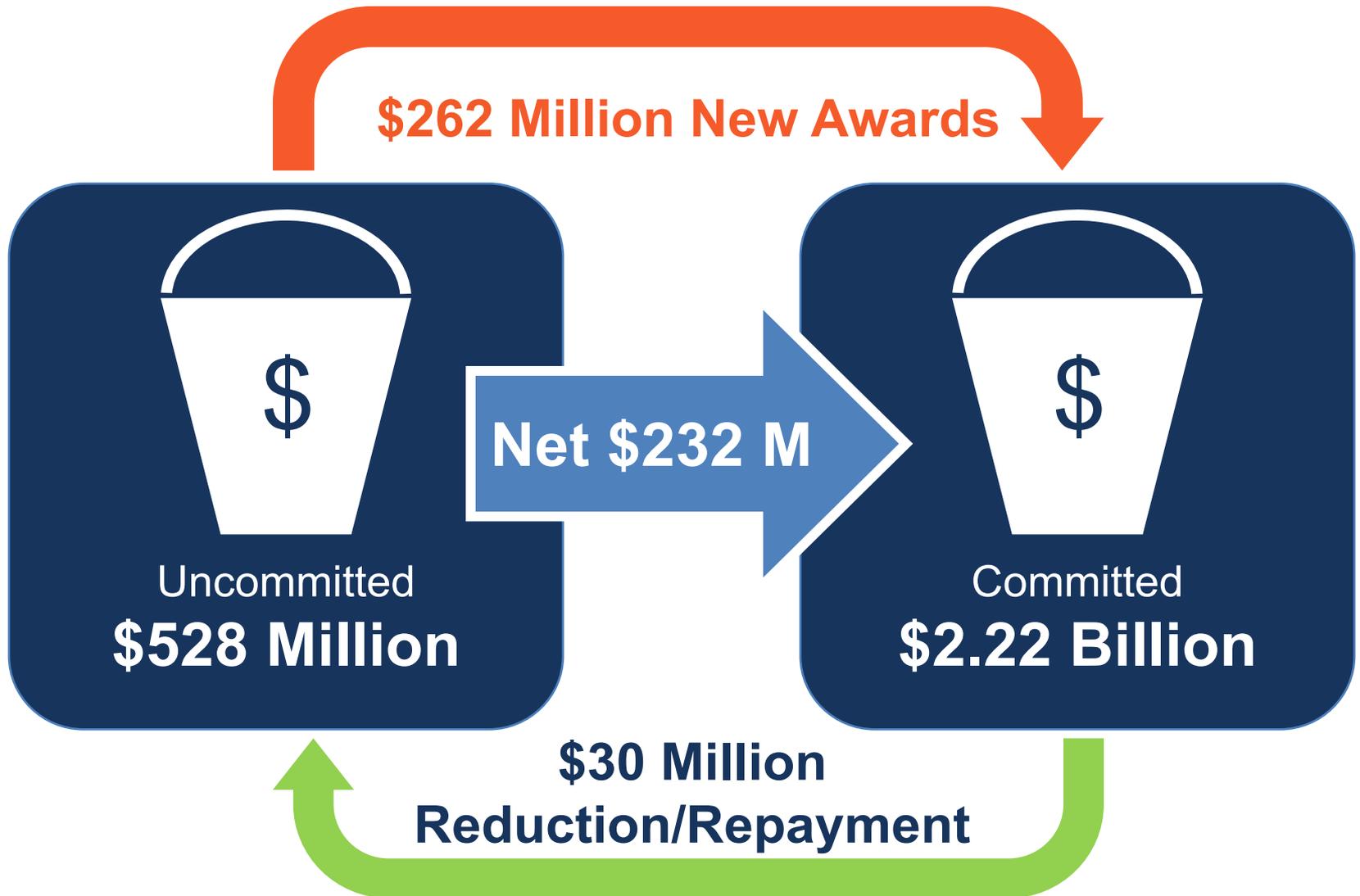
The Buckets

Two separate funding pools



We will only be considering the Award Budget today.

Calendar Year 2016 Actuals



2016 Financial Reconciliation



Award activity for the calendar year 2016

As of January 1, 2016

- Committed / Uncommitted Balance \$1.99B / \$760M
- Number / Balance on Awards under Active Management 261 / \$342M

2016 Activity

- Number / Amount of Awards Added 84 / \$262M
- Award Reductions \$30M

As of December 31, 2016

- Committed / Uncommitted \$2.22B / \$528M
- Number / Amount of Active Management 255 / \$406M

Projected Funding Available for New Awards \$692M

2016 Award Summary



The type, number, and dollar value of 2016 awards

Program	Rounds	Number	Investment
Education	2	21	\$43.1M
Discovery	4	37	\$46.7M
Translation	2	11	\$54.7M
Clinical	12	12	\$87.1M
Infrastructure	2	2	\$30.0M
Totals	22	83	\$261.6M

2017 Budget Recommendation



The recommended **funding allocation** for 2017 (round and number of awards are for guidance purposes only)

Program	Rounds	Number	Allocation
Education	n/a	n/a	\$1M
Discovery	4	40	\$52M
Translation	3	9-12	\$45M
Clinical	13	Up to 17	Up to \$215M
Infrastructure	1	2*	\$16M
Totals	20	N/A	\$329

2017 Budget Context



The projected dollar value of future awards by category

Program	2016 Actual	2017 Allocation	2018-2020 Est.
Education	\$43.1M	\$1M	\$3M
Discovery	\$46.7M	\$52M	\$52M
Translation	\$54.7M	\$45M	\$45M
Clinical	\$87.1M	Up to \$215M	\$263M
Infrastructure	\$30.0M	\$16M	0
Totals	\$262M	\$329M	\$363M

Alignment with Strategic Plan

Funding recommendations accomplish the goals of the strategic plan

CIRM 2.0

CALIFORNIA'S STEM CELL AGENCY

2020 VISION



NEW
CANDIDATES
INTO DEVELOPMENT



**CLINICAL
PROGRAMS**
WITH COMMERCIAL
PARTNERS



**INCREASE
PROGRESSION
EVENTS**



REDUCE
TRANSLATION TIME



**NEW
CLINICAL
TRIALS**

Key Risks to the Plan

Risk factors include but are not limited to the following

- Insufficient number of meritorious therapeutic candidates
- Return amounts below projected values for 2017-2020 resulting in budget shortfall
- Limited funding life affects the ability to attract or retain quality team members
- Investors may be uninterested in stem cell therapies
- Technology failure at rates higher than expected

Other Considerations

Discussion items associated with the new budgeting process

- Approved total budget caps are fixed and cannot be exceeded
- Remedies for when GWG recommendations exceed budget allocation
- Are the “number of rounds” recommendations or guidance
- Standardized process for maximizing participation in application approval decisions

2017 Budget Recommendation



We ask the board approve the following **funding allocations** for calendar year 2017 (with number of rounds and awards non-binding)

Program	Rounds	Number	Investment
Education	0	0	0
Discovery	4	40	\$52M
Translation	3	9-12	\$45M
Clinical	12	Up to 17	Up to \$215M
Infrastructure	1	2*	\$16M
Totals	20	N/A	\$328