



OPTIONS TO SUSTAIN CIRM AND ITS PROJECTS

TRANSITION SUBCOMMITTEE

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GOAL

To identify strategies to sustain the Agency beyond Proposition 71 funding.

BACKGROUND

- Per the Strategic Plan, both the research and administrative funding are due to run out mid-2020
- To sustain the agency we would need \$ 250M per year for research and approximately \$16M per year for administration
- CIRM at a critical stage of its mission:
 - On track to achieve Strategic Plan goals with 50 clinical trials by 2020 (35 by end of September 2017)
 - Early successes for curative therapies (Kohn SCID and XCGD)
 - Increased industry partnerships

Sustainability Options

1. Bond measure in 2018 or 2020
2. Fundraising:
 - Update on Current Fundraising
 - Fundraising Approaches
3. Joint Ventures

1. Bond measures

- Legislative option 2018
 - Process
 - Pros and cons
- Legislative option 2020
 - Process
 - Pros and cons
- Citizen-sponsored bond measure 2020
 - Process
 - Pros and cons

2. Fundraising: Update

- Accelerating \$7M Committed Donor Funds
- Supports Administration Expenses through at least early 2021
- Pursuing additional funds to support administrative expenses beyond early 2021
 - Contingent gifts only necessary if no alternative source of funds, i.e. bond measure

2. Fundraising: Approaches

Unrestricted gifts from Individuals/Foundation gifts to CIRM

- Pursued concurrently with all other strategies and is an ongoing effort
- Donor types
- Timing of gifts (supplementary or contingent)
- Form of gifts (lump sum over period of years)
- Special requirements (naming rights)
- Donors can be from everywhere
- Donee: CIRM directly to deploy as desired
- Pros and cons

2. Fundraising: Approaches



Given recent successes in the field, donors are interested in co-funding one or many projects

- Criteria
- Will piggy back off GWG recommendations and Board approval
- Donors can be from California or anywhere
- Pros and cons

2. Fundraising: Targets for Administrative Funds

- Administrative funds (with current gifts) are depleted by early 2021
- Target raise \$10M by Q4 2019
 - Supports administrative activities/award management through end 2022 (assumes 2-year awards)
- \$30M raise by Q4 2019
 - allows 4-year management of awards made in 2020 (assumes 4-year awards).

3. JOINT VENTURES

- Public-private-partnership
 - Private sector capitalizes company, in-licenses multiple CIRM projects
 - Pros and cons
- CIRM merges or is acquired by another entity with compatible mission
 - Structure
 - Subdivide the portfolio
 - Possible parties
 - Foundations
 - VC-driven entity