

SOMETHING BETTER THAN HOPE

Administrative Budget Proposal for
Fiscal Year 2021/2022

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Agenda

2020/21 Budget

Financial Results

Major Drivers

2021/22 Proposed Budget

Major Drivers

Appendix

Department Level Budget Detail

2020/21 Financial Results and Discussion

Context for the 2020/21 Budget

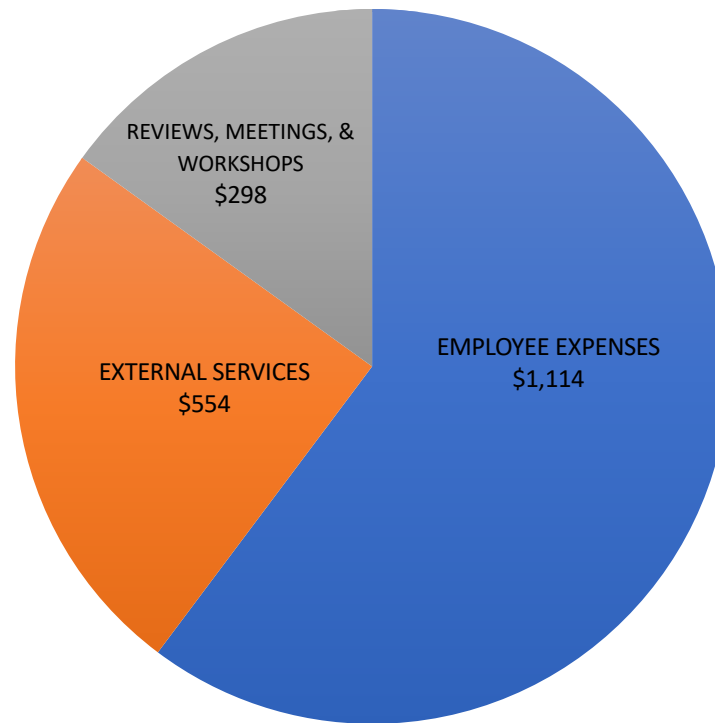
- Pandemic impact of on reviews, meetings and travel
- June 2020 – December 2020 wind-down budget
 - Reduced staff levels
 - Redistributed workload to current staff
 - Managing COVID-19, Sickle Cell and DISC/TRAN/CLIN awards with remaining Prop 71 funds
- January 2021 –June 2021 wind-up budget
 - 40 positions including 9 re-established
 - Increase in reviews for pillars and increase in scientific advisory and strategic planning activities

FY 2020/21 Projected Financial Results

Category	FY 20/21 Budget	FY 20/21 ETF	Variance
Employee Expense	10,718	9,604	-1,114 (-10%)
External Services	2,211	1,657	-554 (-25%)
Reviews, Meetings and Workshops	661	363	-298 (-45%)
Memberships & Training	124	36	-88 (-71%)
Travel	6	0	-6 (-92%)
Equipment & Supplies	704	582	-123 (-17%)
Facilities	913	891	-22 (-2%)
Total	15,337	13,133	2,204 (-14%)

- ETF: Estimated to Finish. Current year-end budget projection for the ongoing fiscal year ending June 30, 2021.
- Numbers are in thousands of dollars (\$000).
- Minor variances due to rounding.

The Variance is Attributable to Savings in Three Areas



Major Drivers of 2020/21 Budget Variance

Lower Employee Expense:

- 20/21 revised budget included 9 re-established position for critical roles in the wind up and growth of the organization
 - 8 positions have been filled to date with savings occurring in start dates at end of fiscal year period
 - 1 positions remain unfilled resulting in savings
- 3 vacancies have occurred during the fiscal year
 - 2 filled in 20/21

Estimated Financial Impact: Under budget \$1,113,999 (-10%)

Major Drivers of 2020/21 Budget Variance

Lower External Services:

- Expenses lower than budgeted
- Contingency expenses were not required

Estimated Financial Impact: Under budget \$553,600 (-25%)

Major Drivers of 2020/21 Budget Variance

Lower Reviews/Meetings/Workshops Expenses:

- Expenses lower than budgeted, resulted in savings
- Meetings/workshops occurred remotely

Estimated Financial Impact: Under budget \$297,925 (-45%)

2021/22 Proposed Budget

FY 2021/22 Budget Request to FY 20/21 Budget

Category	FY 20/21 Budget	FY 21/22 Budget	Variance
Employee Expense	10,718	14,444	3,726 (26%)
External Services	2,211	2,136	-75 (-3%)
Reviews, Meetings and Workshops	661	1,407	746 (53%)
Memberships & Training	124	233	109 (47%)
Travel	6	183	177 (97%)
Equipment & Supplies	704	941	237 (25%)
Facilities	913	1,757	844 (48%)
Total	15,337	21,101	5,764 (27%)

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Major Drivers of the 2021/22 Budget

- Overview
 - Personnel
 - Reviews/Meetings/Workshops
 - Rent & Office Expansion

Major Drivers of the 2021/22 Budget

- Increase in Personnel (Employee Expenses category)
 - Proposed budget to increase by 9 positions for a total of 49 positions
 - 3% merit salary adjustment
- Estimated financial impact: \$3,725,790 (26%)

Major Drivers of the 2021/22 Budget

- Increase in Reviews, Meetings & Workshops
 - 22 reviews projected for 21/22
 - Scientific Workshops & Advisor Meetings
 - Clinical & Translational Advisory Panels
 - Board & Subcommittee activity

Estimated Financial Impact: \$746,075 (53%)

Major Drivers of the 2021/22 Budget

Category	16/17	17/18	18/19	19/20	20/21	21/22
Review Meetings	17	18	15	12	11	22
Total Budget for Reviews/Meetings/Workshops	\$1,080	\$962	\$659	\$322	\$253	\$751
Total FY Budget	\$18,906	\$18,581	\$16,826	\$15,614	\$15,317	\$20,990

Major Drivers of the 2021/22 Budget

- Increase in Rent & Office Expansion (Facilities category)
 - Rent increase due to lease extension to March 2022
 - Contingency funding to support:
 - Office expansion at current location & return to work; or
 - Office move including lease services, project management and movers

Estimated Financial Impact: \$843,500 (48%)

Risk Factors for the 2021/22 Budget

- CIRM continues to actively manage costs; however, some factors are difficult to control:
 - Current lease renewal or office move
 - Recruitment and personnel growth
 - COVID-19 effect on meetings, travel and work activities

Request for Board Action

The CIRM team is requesting the ICOC approve the the 2021/22 fiscal year research budget.

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Thank You!