

**Friday, January 27 2006 Governance Subcommittee Meeting
(Approved March 30th, 2006)**

UC Davis Medical Center

Cancer Breakout Room

Sacramento, CA 95817

Cedars-Sinai Medical Center

8700 Beverly Blvd.

Davis Bldg., Room G 146

Los Angeles, CA 90048

USC, Keck School of Medicine

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KAM 505

Los Angeles, CA 90033

CIRM

210 King Street

San Francisco, CA 94107

Sheraton Steamboat Resort

2200 Village Inn Court

Steamboat Springs, CO 80477

Sherry Lansing (Chair)	Absent
Phil Pizzo	Absent
Brian Henderson	Absent
Os Steward	Absent
Claire Pomeroy	Present
Keith Black	Present
John Reed	Absent
Robert N. Klein	Present
Tina Nova (Vice Chair)	Present
Richard Murphy	Present

Vice-Chair, **Tina Nova**, opened the meeting and reminded the Subcommittee that, absent a quorum, they could discuss the agenda items but not vote.

Agenda Item #4: Consideration of Policy for Removal of Working Group Members

Scott Tocher (CIRM Counsel): Proposition 71 empowers the IOC to create a governing policy regarding working group members. There is currently a description for appointing of working group members but there isn't a policy in the event WG members need to be removed. The suggested policy is divided into four sections. The first section provides grounds for removal, considered by the President in section two. The second section describes the procedure for suspension; the President may suspend a member of Working Group if he thinks there is a sufficient ground, and the suspension will remain in effect

until terminated by the President, the member resigns, or until ICOC action. Section three provides for a sort of exemption from removal when the member is absent on an excused absence. Finally, the procedure for removal is in section four, wherein the ICOC will consider the ground and recommendation of the President for final decision-making.

Claire Pomeroy: Do we have elsewhere delineated how a working group member might choose to permanently resign? When someone steps down is there a procedure to fill their spot?

Amy DuRoss: If a Working Group member wishes to resign, he/she communicates that wish to the Chairman of the Working Group. Then the original search subcommittee of the board reconvenes to replace that Working Group member.

Bob Klein: There is a board resolution that identified and created the search subcommittee, and there are reports to the board on that procedure. The board confirmed the prior use of that procedure by the subcommittee. Let's look at it and see if it needs to be further formalized or whether there was a formal vote on continuing that procedure in the future.

Claire Pomeroy: That would be great

John Simpson: The policy looks good, but I would like for it to include a provision for press releases when someone resigns or is asked to leave. An example is Jose Cibelli. There should have been a notification. The Standards Working Group Release was excellent but there was just a footnote about him.

Bob Klein: That should be raised with Zach Hall and when he makes his presentations to the board he can address that issue.

Don Reed: I disagree with John Simpson's comment. I think that the minor notification was all that was required.

Bob Klein: Despite the lack of a quorum, we can bring to the ICOC a general sense of the committee on this policy.

Claire Pomeroy: I would just echo that I support forwarding the removal policy to the entire ICOC. I would also request that my comments about clarifying the procedures for resignation and reappointment be included as a comment and the concept of Dr. Hall addressing that be mentioned, as well.

Agenda Item #5 Consideration of update on contracts

Alexandra Degg-Campe, (CIRM Human Resources Director): We have provided you a Contracts and Interagency Agreement Report, for information purposes only. There are no contracts at this time that require ICOC or Governance Committee approval.

- Beginning with the State Controller's contract, there is a "no cost" extension to the agreement through June 30th, 2006.
- For New or Amended Third-Party contracts less than \$100,000, we have a contract with Nielsen Merksamer for legal services and representation of CIRM with the California legislature for \$7500/month for three months, with the potential for a one month extension, beginning January 23rd.

- We are extending our current Lexis Nexis contract (set to expire February 24th) through June 30, 2006, for \$540.
- Under Grants Management contracts, four “no cost” extensions apply: 1) Constance Atwell, 2) LMI, 3) Diana Watson, 4) Patricia Olson. The contract maximum was reduced by \$40,000 to \$30,000 due to budgetary issues.
- The contract for the October Scientific Conference report preparation (Kelly Lamarco) has been extended at no cost until June 30, 2006.
- For our independent CPA contract, in compliance with Section 125290.30 of the Health and Safety Code, we issued an RFP to five firms which were due on January 24th. The contract amount is budgeted at \$50,000.
- We also have an additional contract for litigation support. The Department of Justice has requested we retain Diana Walker in preparation for the court trial for \$45,000 through June 30th, 2006.
- We are noting that there will be an additional request from DOJ for another third-party contract for Orrick Herrington, to be reviewed at the next Governance Subcommittee meeting.
- No new contracts exceeding either \$100,000 or \$250,000.

Additionally, we have a report through December 31, 2005 on current contracts and where we are with regards to funding. For the ICOC meeting in February, we will have this information updated through January 31st, 2006.

Claire Pomeroy: On the Nielsen-Merksamer contract, what are we paying for exactly? Are there hours or deliverables specified?

Walter Barnes: It is a flat-rate contract which gives us a full range of services.

Bob Klein: Compared to last year's analysis they are discounting 25-30%. Last year they were charging us \$9,000 a month.

Claire Pomeroy: We need to be fiscally responsible. We need to assess deliverables.

Bob Klein: Nielsen Merksamer is monitored monthly, and the contract can be cancelled at any time. They provide regular communication in meetings with the Legislature and the Executive Branch—specifically, with Health Committees, and give us the ability to respond ASAP. We also put together staffing briefings.

Claire Pomeroy: Communication between CIRM and the legislature is important. We all get asked questions. Can we get a ½ page summary of activity?

Bob Klein: Staff will draw that up right away.

Following a request for public comment at each location, the meeting was adjourned at 8:30am.