

BEFORE THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
TO THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
REGULAR MEETING

LOCATION: METROPOLITAN WATER DISTRICT OF
SOUTHERN CALIFORNIA
BOARD ROOM AT HEADQUARTERS BUILDING
700 N. ALAMEDA STREET
LOS ANGELES, CALIFORNIA

DATE: THURSDAY, APRIL 7, 2005
9:10 A.M.

TRANSCRIBING
REPORTER: BETH C. DRAIN, CSR
CSR. NO. 7152

BRS FILE NO.: 71710

I N D E X

ITEM	DESCRIPTION	PAGE NO.
CALL TO ORDER		004
ROLL CALL		006
CONSIDERATION OF CONSENT ITEMS:		010
	CONSIDERATION OF PER DIEM AND TRAVEL EXPENSE REIMBURSEMENT POLICY	
	APPROVAL OF MINUTES FROM FEBRUARY 3, 2005	
	APPROVAL OF MINUTES FROM MARCH 1, 2005	
PRESIDENT'S REPORT		012
CONSIDERATION OF CONFLICTS POLICY FOR ICOC		059
CONSIDERATION OF CONFLICTS POLICY FOR CIRM STAFF		136
CONSIDERATION OF POLICIES FOR WORKING GROUPS		158
CONSIDERATION OF PROPOSAL FOR CIRM TRAINING GRANTS PROGRAM		MAY 6
CONSIDERATION OF CHARGING INSTITUTE STAFF WITH DEVELOPING A PROPOSAL FOR CIRM RESEARCH GRANTS PROGRAM FOR 5/6		229
CLOSED SESSION		127
CONSIDERATION OF RESOLUTION REQUESTING FINANCE COMMITTEE TO APPROVE ISSUANCE OF BONDS		129
CONSIDERATION OF STATUS REPORT FROM STANDARDS WORKING GROUP SEARCH SUBCOMMITTEE		226
CONSIDERATION OF STATUS REPORT FROM GRANTS WORKING GROUP SEARCH SUBCOMMITTEE		---
CONSIDERATION OF STATUS REPORT FROM FACILITIES WORKING GROUP SEARCH SUBCOMMITTEE		228

CONSIDERATION OF STATUS REPORT FROM SITE SEARCH SUBCOMMITTEE	230
PUBLIC COMMENT	240
ADJOURNMENT	242

1 LOS ANGELES, CALIFORNIA; THURSDAY, APRIL 7, 2005

2 9:10 A.M.

3

4 CHAIRMAN KLEIN: IF THE BOARD COULD BE
5 SEATED, WE'D LIKE TO BEGIN THIS MORNING.

6 ALL RIGHT. IF EVERYONE CAN HEAR ME, I'D
7 LIKE TO CALL THE REGULAR SESSION OF TODAY'S BOARD
8 MEETING OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE
9 MEDICINE TO ORDER.

10 BEFORE WE BEGIN, I'D LIKE TO THANK DR. LEVEY
11 AND UCLA FOR THE TREMENDOUS PRESENTATIONS THIS MORNING
12 ON LIVER DISEASE AND THE POTENTIAL FOR EMBRYONIC STEM
13 CELLS AND ADULT STEM CELLS TO MOVE THOSE THERAPIES
14 FORWARD. THIS IS A CRITICAL AREA, AND CERTAINLY WE'D
15 LIKE TO MOVE THE FILM SUMMARY OF THAT TO OUR WEBSITE SO
16 THE BROAD SPECTRUM OF THE PUBLIC CAN UNDERSTAND THE
17 GREAT LEADERSHIP THAT UCLA PROVIDES TO THE NATION IN
18 THIS AREA.

19 ADDITIONALLY, WE'D ALSO LIKE TO THANK OUR
20 FRIENDS AT THE METROPOLITAN WATER DISTRICT FOR HOSTING
21 OUR MEETING. IN PARTICULAR, GILBERT IVY, THE INTERIM
22 CEO; JUDY HOLLAND AND ELLEN JACKSON FOR MOVING HEAVEN
23 AND EARTH TO GET US HERE. CERTAINLY THIS IS THE VERY
24 BEST FACILITIES WE'VE HAD. WE UNDERSTAND VERY CLEARLY
25 THAT WATER IS IMPORTANT IN CALIFORNIA.

1 I'M GOING TO ASK WHEN WE GET DOWN TO OUR
2 AGENDA THAT WE ADD AN ADDITIONAL CLOSED SESSION
3 REGARDING OUR PRESIDENTIAL SEARCH TO IMMEDIATELY BE
4 MERGED WITH THE EXECUTIVE SESSION ON LITIGATION SO THAT
5 WE CAN DISCUSS THOSE TOGETHER DURING LUNCH TO
6 EFFECTIVELY MOVE FORWARD. AND WE AT THAT TIME WILL BE
7 ASKING TO SWITCH CURRENT ITEM 20 TO 15 SO THAT
8 SPENCERSTUART, WHO IS WORKING FOR THE INSTITUTE ON THE
9 PRESIDENTIAL SEARCH, CAN AND MAKE THEIR REPORT TO THE
10 PUBLIC IMMEDIATELY AFTER THE CLOSED SESSION.

11 I'D LIKE TO BEGIN THE FORMAL AGENDA FOR TODAY
12 WITH THE PLEDGE OF ALLEGIANCE. AND, MELISSA KING, CAN
13 YOU PLEASE LEAD US.

14 (THE PLEDGE OF ALLEGIANCE.)

15 CHAIRMAN KLEIN: WE HAVE A LARGE AGENDA
16 TODAY. I'D LIKE TO REMIND EVERYONE THAT WE HAVE A
17 MANDATE TO SERVE PATIENTS SUFFERING FROM CHRONIC
18 DISEASE THAT EVERY DAY CREATES IRREPARABLE DAMAGE IN
19 THOSE PATIENTS, IMPACT ON PATIENTS AND THEIR FAMILIES.
20 UNDER THE PLAN THAT WAS PASSED WITH APPROVAL BY NEARLY
21 7 MILLION VOTERS IN CALIFORNIA, THERE'S A PROCESS TO
22 SET INTERIM REGULATIONS TO FOLLOW IT WITH A 270-DAY
23 PUBLIC HEARING PROCESS TO ALLOW US TO THEN GO INTO
24 GREAT DEPTH ON EACH ISSUE THAT THE PUBLIC AND THE BOARD
25 WISHES TO EXPLORE SO THAT I REMIND YOU THAT THE

1 HEARINGS WE HAVE NOW ARE PART OF AN INITIAL PLAN
2 APPROVED BY THE VOTERS TO PUT THIS WORKING MECHANISM IN
3 PLACE, TO HAVE THIS INSTITUTE GET MONEY TO RESEARCHERS
4 WHO ARE THE REAL HEROES OF THE FUTURE FOR THE RESEARCH
5 IN BASIC SCIENCE AND APPLIED SCIENCE AND THERAPY
6 DEVELOPMENT.

7 WE NEED TO LET THEM GET TO THEIR WORK.
8 CERTAINLY WE NEED TO HAVE RESPECT AND HONOR OUR MANDATE
9 TO THE VOTERS TO DO THAT QUICKLY, AND WE NEED TO HAVE
10 RESPECT FOR THE SUFFERING OF THOSE WE'RE TRYING TO
11 SERVE TO MOVE THIS ALONG. AND WE WILL HAVE A GREAT
12 UNPRECEDENTED, IN FACT, 270-DAY PERIOD FOR PUBLIC
13 HEARINGS TO EXPLORE MANY OF THESE ISSUES IN MUCH
14 GREATER DEPTH. LET US REMEMBER THAT COMMITMENT IS IN
15 THE LAW. PUBLIC RIGHTS TO THOSE HEARINGS ARE
16 PROTECTED.

17 WITH THAT, I'D LIKE TO ASK THAT THE SPEAKERS
18 LIMIT THEMSELVES TO THREE MINUTES BECAUSE IT'S OUR
19 NORMAL PROCESS. AND WE'D LIKE TO ASK WHETHER THERE ARE
20 ANY PUBLIC COMMENTS BEFORE WE BEGIN OUR SESSION AND GO
21 THROUGH THE AGENDA.

22 I WILL, AS MS. KING INDICATES, PRECEDE THAT
23 REQUEST WITH A ROLL CALL. WOULD YOU LIKE TO LEAD THAT
24 ROLL CALL, PLEASE.

25 MS. KING: I JUST HAVE A COUPLE OF THINGS TO

1 TELL THE BOARD MEMBERS BEFORE I DO THAT. THERE'S A
2 BUTTON BEFORE YOU THAT SAYS MIC, AND YOU'LL NEED TO
3 PRESS THAT BUTTON WHEN YOU'D LIKE TO SPEAK, AND THEN
4 PLEASE PRESS IT AGAIN WHEN YOU'RE DONE. ALSO, WE'D
5 LIKE TO ASK YOU TO PLEASE STATE YOUR NAME. SAY DOCTOR
6 SO AND SO OR YOUR FIRST NAME AND YOUR LAST NAME,
7 PLEASE, FOR OUR TRANSCRIPTIONIST. THANK YOU VERY MUCH.

8 STARTING WITH THE ROLL: DAVID BALTIMORE.

9 DR. BALTIMORE: HERE.

10 MS. KING: ROBERT BIRGENEAU. AND I'M SORRY.

11 DR. BETH BURNSIDE FOR ROBERT BIRGENEAU.

12 DR. BURNSIDE: HERE.

13 MS. KING: KEITH BLACK.

14 DR. BLACK: HERE.

15 MS. KING: SUSAN BRYANT.

16 DR. BRYANT. HERE.

17 MS. KING: MICHAEL FRIEDMAN.

18 DR. FRIEDMAN: HERE.

19 MS. KING: MICHAEL GOLDBERG. BRIAN

20 HENDERSON.

21 DR. HENDERSON: HERE.

22 MS. KING: ED HOLMES.

23 DR. HOLMES: HERE.

24 MS. KING: DAVID KESSLER. BOB KLEIN.

25 CHAIRMAN KLEIN: HERE.

1 MS. KING: SHERRY LANSING. GERALD LEVEY.
2 DR. LEVEY: HERE.
3 MS. KING: TED LOVE.
4 DR. LOVE: HERE.
5 MS. KING: RICHARD MURPHY.
6 DR. MURPHY: HERE.
7 MS. KING: TINA NOVA. ED PENHOET. PHIL
8 PIZZO.
9 DR. PIZZO: HERE.
10 MS. KING: CLAIRE POMEROY.
11 DR. POMEROY: HERE.
12 MS. KING: PHYLLIS PRECIADO.
13 DR. PRECIADO: HERE.
14 MS. KING: FRANCISCO PRIETO.
15 DR. PRIETO: HERE.
16 MS. KING: DR. JEANNIE FONTANA FOR JOHN REED.
17 DR. FONTANA: HERE.
18 MS. KING: JOAN SAMUELSON. DAVID
19 SERRANO-SEWELL?
20 MR. SERRANO-SEWELL: HERE.
21 MS. KING: JEFF SHEEHY.
22 MR. SHEEHY: YES.
23 MS. KING: JONATHAN SHESTACK.
24 MR. SHESTACK: HERE.
25 MS. KING: OSWALD STEWARD.

1 DR. STEWARD: HERE.

2 MS. KING: LEON THAL.

3 DR. THAL: HERE.

4 MS. KING: GAYLE WILSON. JANET WRIGHT.

5 DR. WRIGHT: HERE.

6 CHAIRMAN KLEIN: THANK YOU VERY MUCH. I'D
7 LIKE TO NOW PROCEED WITH PUBLIC COMMENT. IS THERE ANY
8 COMMENT FROM THE PUBLIC?

9 OKAY. PRIOR TO GOING TO OUR FIRST THREE
10 ITEMS, WHICH ARE ON THE CONSENT CALENDAR, ONE OF THOSE
11 ITEMS HAD -- THERE'S QUESTIONS HAVE BEEN RAISED BY A
12 LETTER FROM -- RELATED TO THE HALPERN PETITION. THAT
13 LETTER WILL BE MADE PART OF OUR PUBLIC RECORD, AND THAT
14 LETTER QUESTIONS WHETHER OR NOT WE CARRIED OUT THE
15 INTENT OF MR. -- OF THE BOARD'S RESPONSE TO THE HALPERN
16 LETTER. IT ALSO QUESTIONS WHETHER THE MINUTES ARE
17 ACCURATE FROM THE MEETING IN QUESTION.

18 IN ORDER FOR US TO PROCEED TO THIS ITEM AND
19 TO DECIDE WHETHER TO MOVE THOSE MINUTES FROM CONSENT,
20 I'D LIKE TO CALL ON DR. FRIEDMAN BECAUSE THE LETTER
21 ADDRESSES WHETHER DR. FRIEDMAN'S INTENT WAS FULFILLED
22 BY A RESPONSE TO THE HALPERN PETITION AND WHETHER THE
23 MINUTES ARE ACCURATE IN THEIR SUMMARY IN REFLECTING THE
24 INTENT OF DR. FRIEDMAN.

25 DR. FRIEDMAN: THANK YOU, MR. CHAIRMAN. I

1 REVIEWED THE MINUTES AND THE LETTER THAT WAS SUBMITTED
2 BY MR. REYNOLDS. MY ASSESSMENT OF THE MINUTES IS THAT
3 THEY DO REFLECT MY INTENTION. I OBVIOUSLY CAN'T
4 REMEMBER THE EXACT WORDS I SPOKE ON THAT DAY, BUT THESE
5 DO SEEM TO BE QUITE CONSISTENT WITH WHAT MY INTENTION
6 WAS.

7 AND JUST AS AN ADDED PIECE OF INFORMATION,
8 RE-LOOKING AT THE RESPONSE, THE LETTER THAT YOU WROTE
9 TO MR. HALPERN AND DR. LEE, I THOUGHT THAT THAT
10 CAPTURED, AGAIN, THE INTENT OF WHAT MY SUGGESTION MADE
11 AT THAT MEETING.

12 THIS WAS TO BE A SNAPSHOT OF WHERE WE ARE
13 TODAY AND A FIRM COMMITMENT TO A SET OF PUBLIC
14 DISCUSSIONS. I'M VERY SATISFIED. AND I THINK THE
15 MINUTES ARE ACCURATE, AND I CERTAINLY MOVE FOR
16 ACCEPTANCE OF THOSE MINUTES.

17 CHAIRMAN KLEIN: THANK YOU, DR. FRIEDMAN.
18 IS THERE FURTHER DISCUSSION ON THOSE COMMENTS FROM THE
19 BOARD?

20 ALL RIGHT. SO THE FIRST ITEM IS THE CONSENT
21 AGENDA. DOES ANY MEMBER OF THE BOARD WANT TO REMOVE
22 THE MINUTES FOR THE PER DIEM TRAVEL EXPENSE
23 REIMBURSEMENT POLICY FROM THE CONSENT AGENDA?

24 ALL RIGHT. IS THERE A MOTION ON THE CONSENT
25 AGENDA?

1 DR. THAL: SO MOVED.

2 CHAIRMAN KLEIN: IS THERE ANY PUBLIC
3 COMMENT -- IS THERE A SECOND ON THAT MOTION?

4 DR. PIZZO: SECOND.

5 CHAIRMAN KLEIN: IS THERE ANY PUBLIC COMMENT
6 ON THAT MOTION?

7 ALL RIGHT. I WOULD CALL FOR THE QUESTION.
8 ALL IN FAVOR? OPPOSED? THANK YOU.

9 JOAN SAMUELSON IS HERE.

10 I WOULD LIKE TO MOVE TO THE REGULAR ITEMS OF
11 THE AGENDA, AND THOSE BEGIN WITH STATEMENTS AND
12 PRESENTATIONS BY ZACH HALL, OUR ESTEEMED AND GREATLY
13 APPRECIATED INTERIM PRESIDENT. AND AS A FRAMEWORK FOR
14 THESE PRESENTATIONS, I WOULD SUGGEST TO YOU THAT THE
15 CONFLICTS POLICIES AND OPEN MEETING POLICIES ARE AMONG
16 THE ITEMS THAT ARE BEING PRESENTED TODAY BY ZACH HALL
17 IN AN ATTEMPT TO MOVE FORWARD WITH THE STAGE ONE
18 IMPLEMENTATION AND OPERATIONAL SETUP OF THIS INSTITUTE
19 AND ARE, IN FACT, IN ADVANCE OF SOME OF THE DATES WE
20 HAVE SET IN RESPONSE TO THE HALPERN PETITION FOR PUBLIC
21 HEARINGS ON SOME OF THESE ITEMS.

22 THE FACT THAT WE'RE MOVING FORWARD DOES NOT
23 MEAN WE'RE CLOSING THE PUBLIC HEARING. IT MEANS WE'RE
24 TRYING TO PUT A STRUCTURE IN PLACE. THE PUBLIC
25 HEARINGS WILL ALLOW US TO FURTHER REFINE THAT

1 STRUCTURE, TO REEXAMINE IT, TO LOOK AT DIFFERENT
2 COMMENTS AND DIFFERENT POINTS OF VIEW, BUT WE NEED TO
3 BECOME OPERATIONAL TO PUT RESEARCH DOLLARS OUT THERE
4 AND SERVE PATIENTS. THIS IS A STEP TO GETTING TO THAT
5 OPERATIONAL PERSPECTIVE, AND IT ANSWERS A PUBLIC
6 REQUEST THAT WE PUT THE CONFLICTS PROVISIONS IN PLACE.
7 WE CAN REEXAMINE THEM LATER IN OTHER PUBLIC HEARINGS,
8 BUT THIS IS A VERY EXCELLENT START.

9 AND, DR. HALL, I CAN TURN THIS OVER TO YOU TO
10 START THROUGH THE PRESIDENT'S REPORT AND THE FOLLOWING
11 GENERAL ITEMS.

12 DR. HALL: THANK YOU, MR. CHAIRMAN. I'M GLAD
13 TO BE HERE. I HOPE I CAN MAKE THIS REPORT A REGULAR
14 PART OF OUR MEETINGS TO KEEP YOU APPRISED OF OUR
15 ACTIVITIES. I DON'T THINK IT WILL SURPRISE YOU IF I
16 TELL YOU THAT THE LAST MONTH HAS BEEN A VERY BUSY ONE
17 AT THE INSTITUTE, AND WE HAVE ALL BEEN INVOLVED IN A
18 NUMBER OF ACTIVITIES, INCLUDING VIDEO CONTACT, WORKING
19 WITH THE SUBCOMMITTEES ON APPOINTMENTS, VERY BUSY
20 THERE, AND ALSO JUST GETTING OUR OFFICE UP AND RUNNING.

21 BUT I WANT TO FOCUS THIS MORNING ON SEVERAL
22 DIFFERENT ACTIVITIES JUST TO LET YOU KNOW ABOUT THEM.

23 THE FIRST IS INTERNAL ORGANIZATION, JUST TO
24 SHOW YOU HOW WE ARE PLANNING TO STRUCTURE THE
25 CALIFORNIA INSTITUTE. I WANT TO SAY A LITTLE BIT ABOUT

1 THE OUTREACH TO THE SCIENTIFIC COMMUNITY AND FINALLY
2 INFORM YOU ABOUT OUR THOUGHTS ON SCIENTIFIC PLANNING.
3 SO LET ME JUST ADDRESS EACH OF THOSE IN TURN.

4 THE FIRST HERE IS JUST TO SHOW YOU AN ORG
5 CHART. I'M SORRY. THERE'S A LOT OF INFORMATION ON
6 THAT SLIDE. I THINK -- MELISSA, IT IS AVAILABLE. I
7 THINK THIS IS AVAILABLE, IS IT NOT, FOR --

8 MS. KING: YES, IT IS.

9 DR. HALL: EVERYONE HAS A WRITTEN COPY IF YOU
10 WANT TO SEE THAT. I'M SORRY --

11 DR. THAL: IT'S TAB 8.

12 CHAIRMAN KLEIN: FOR THE BENEFIT OF THE BOARD
13 MEMBERS, IT IS TAB 8.

14 DR. HALL: OKAY. SO LET ME REMIND YOU OF A
15 COUPLE OF THINGS. FIRST OF ALL, THAT WE ARE MANDATED
16 BY THE PROPOSITION TO HAVE A STAFF OF 50, NOT INCLUDING
17 THE CHAIR AND VICE CHAIR. IF YOU ARE CAREFUL AND GO
18 THROUGH AND ADD UP ALL THE NUMBERS, YOU WILL SEE THAT
19 WE COME OUT OVER 50 FOR OUR ESTIMATES, AND WE WILL HAVE
20 TO JUST WORK AND ADJUST THESE AS WE GO ALONG. IN SOME
21 CASES WE MAY OUT-SOURCE SOME OF OUR ACTIVITIES.

22 NOTICE THAT THE CHART HAS TWO WINGS. ON THE
23 LEFT ON THE SCREEN ARE THOSE FOCUSING ON SCIENTIFIC
24 MATTERS, REPORTING TO THE PRESIDENT. AND THEN ON THE
25 RIGHT ARE THOSE FOCUSING ON EXTERNAL MATTERS, INCLUDING

1 EXTERNAL FINANCING, RELATIONS WITH THE LEGISLATURE, AND
2 SO FORTH.

3 THE SENIOR OFFICIALS WHO WILL BE REPORTING TO
4 THE PRESIDENT WILL BE THE CHIEF INFORMATION OFFICER,
5 RESPONSIBLE FOR OUR I.T., A CHIEF SCIENTIFIC OFFICER,
6 AND I'LL COME BACK TO THAT IN JUST A MOMENT, A CHIEF
7 ADMINISTRATIVE OFFICER. WALTER BARNES IS FOR THE
8 MOMENT HOLDING THAT POSITION ON AN INTERIM BASIS. AND
9 THEN WE HAVE A SENIOR COMMUNICATIONS OFFICER THAT WILL
10 HAVE A FULL REPORT BOTH TO THE PRESIDENT AND TO THE
11 CHAIR, AND ALSO CHIEF LEGAL OFFICER, AND A POLICY
12 STAFF.

13 AND LET ME MAKE A COMMENT ABOUT THAT. THE
14 RESPONSIBILITIES OF THIS STAFF WILL BE THE ICOC
15 MEETINGS, PUBLIC HEARINGS, AND OUR RELATIONS WITH THE
16 LEGISLATURE. AND ALL OF THOSE COME UNDER THE PURVIEW
17 OF THE CHAIR, AND YOU CAN SEE THAT THE ROUGH
18 ORGANIZATION IS THAT THE SCIENTIFIC AND DIRECT
19 ADMINISTRATIVE INTERNAL ACTIVITIES OF THE CIRM ARE
20 UNDER THE PURVIEW OF THE PRESIDENT; WHEREAS, THE
21 EXTERNAL ACTIVITY, SUCH AS BOND ISSUES, FINANCIAL
22 ISSUES, RELATIONS WITH LEGISLATURE, AND SO FORTH COME
23 UNDER THE PURVIEW OF THE CHAIR, AND THIS IS IN
24 KEEPING -- AS OUTLINED BY PROPOSITION 71.

25 LET ME SAY A WORD ABOUT THE DIRECTOR -- THE

1 CHIEF SCIENTIFIC OFFICER. UNDER THAT PERSON WE WILL
2 HAVE STAFF WHO WILL BE RESPONSIBLE FOR EACH OF THE
3 THREE WORKING GROUPS, AND WE ALSO WILL HAVE REPORTING
4 TO THAT PERSON A DIRECTOR OF SCIENTIFIC PROGRAM AND
5 REVIEW WHO WILL BE RESPONSIBLE FOR OUR GRANTS REVIEW
6 WORKING GROUP AND ALSO FOR SCIENTIFIC PROGRAM.

7 WE HAVE TWO OTHER ACTIVITIES. ONE IS THE
8 DIRECTOR OF IP AND CONTRACTS REVIEW, AND THE OTHER
9 DIRECTOR OF GRANTS MANAGEMENT. I MIGHT JUST SAY A WORD
10 FOR THOSE OF YOU WHO ARE NOT FAMILIAR WITH THE
11 GRANT-MAKING PROCESS WHAT WE MEAN BY PROGRAM AND WHAT
12 WE MEAN BY GRANTS MANAGEMENT.

13 SCIENTIFIC PROGRAM CONSTITUTES -- THIS IS THE
14 HEART OF OUR SCIENTIFIC STAFF. THESE PEOPLE WILL BE
15 PH.D.'S AND/OR MD'S. THEY WILL BE RESPONSIBLE FOR
16 DIRECT INTERACTION WITH THE SCIENTISTS WHO ARE CARRYING
17 OUT THE RESEARCH. THEY WILL KEEP APPRISED OF CURRENT
18 DEVELOPMENTS IN THE FIELD. THEY WILL HELP US DEVELOP
19 SCIENTIFIC INITIATIVES, AND THAT WILL BE THEIR
20 RESPONSIBILITY.

21 THE GRANTS MANAGEMENT ACTIVITY IS AN OFFICE
22 THAT ATTENDS TO ALL THE ADMINISTRATIVE AND FINANCIAL
23 MATTERS RELATED TO GRANTS. THEY DETERMINE HOW WE SEND
24 OUT THE MONEY. THEY ENSURE THAT IT IS PROPERLY SPENT.
25 THEY RECEIVE THE ACCOUNTING FROM THE VARIOUS

1 INSTITUTIONS THAT RECEIVE MONEY, AND THEY MAKE SURE
2 THAT THE GRANTEE INSTITUTIONS FOLLOW THE GRANTS POLICY
3 OF THE CIRM. SO THIS IS A LARGELY ADMINISTRATIVE ROLE,
4 AND I WILL SAY MORE ABOUT THAT LATER.

5 I CALL YOUR ATTENTION IN PARTICULAR TO THE
6 DIRECTOR OF SCIENTIFIC PROGRAM AND REVIEW BECAUSE I'M
7 DELIGHTED TO TELL YOU THAT WE HAVE JUST FILLED THIS
8 POSITION THIS WEEK. WE HAVE RECRUITED TO CIRM DR.
9 ARLENE CHIU TO BE OUR DIRECTOR OF SCIENTIFIC PROGRAMS
10 AND REVIEW. SHE WILL OVERSEE THE PROGRAM STAFF AND
11 ALSO WILL OVERSEE SCIENTIFIC REVIEW MATTERS. WHETHER
12 GRANTS MANAGEMENT WILL COME UNDER HER I THINK WE WILL
13 DETERMINE AT A LATER STAGE, BUT FOR RIGHT NOW THAT WILL
14 BE HER EMPHASIS.

15 SHE'S A DISTINGUISHED DEVELOPMENTAL
16 NEUROLOGIST. SHE WAS FOR MANY YEARS AN NIH-FUNDED
17 RESEARCHER AT THE CITY OF HOPE. IN 1997 SHE WENT TO
18 THE NIH WHERE SHE HEADED INITIALLY A PROGRAM IN SPINAL
19 CORD RESEARCH AND LATER BECAME THE HEAD OF A PROGRAM,
20 ACTUALLY DEVELOPED THAT PROGRAM AT NINDS. SHE HAS BEEN
21 DESCRIBED TO US AS THE STAFF PERSON AT NIH WHO KNOWS
22 MORE ABOUT STEM CELL RESEARCH THAN ANYONE ELSE. AND
23 SHE WAS RECOGNIZED IN 2004 FOR HER OUTSTANDING
24 ABILITIES IN THIS AREA BY THE NIH DIRECTOR'S AWARD,
25 WHICH CITED HER FOR OUTSTANDING CONTRIBUTIONS TO THE

1 DEVELOPMENT OF STEM CELL RESEARCH AT NIH.

2 SHE WAS RECENTLY PROMOTED TO THE POSITION OF
3 DEPUTY DIRECTOR AT THE OFFICE OF RESEARCH
4 ADMINISTRATION AT THE NEW INSTITUTE, THE NATIONAL
5 INSTITUTE FOR BIOLOGICAL IMAGING AND BIOENGINEERING.
6 AND SO SHE HAS DECIDED TO JOIN US AS OF MAY 1ST, AND WE
7 ARE ABSOLUTELY DELIGHTED TO HAVE HER ON BOARD. SHE'S A
8 WONDERFUL TALENT, BOTH IN TERMS OF HER KNOWLEDGE OF THE
9 FIELD SCIENTIFICALLY AND IN TERMS OF HER ADMINISTRATIVE
10 SKILLS. SHE WILL PROVIDE A VALUABLE SERVICE FOR US.

11 NOW, OUR IMMEDIATE NEEDS ARE VAST. THIS
12 IS -- AS IMPORTANT AS GETTING ARLENE CHIU IS, WE HAVE A
13 NUMBER OF NEEDS THAT HAVE TO BE MET. WE HAVE WORKING
14 GROUPS COMING UP, AND THERE IS AN ENORMOUS AMOUNT OF
15 WORK RUNNING A GRANTS REVIEW SESSION. WE NEED TO HAVE
16 PERSONNEL WHO CAN DO THAT WORK. THERE'S NOT TIME TO
17 TRAIN THEM. WE NEED PEOPLE WHO'VE HAD EXPERIENCE. AND
18 SO WE WILL BE TRYING THE HIRE SCIENTIFIC PROGRAM AND
19 REVIEW PERSONNEL AS QUICKLY AS POSSIBLE.

20 WE CANNOT SEND MONEY OUT THE DOOR UNTIL WE
21 HAVE A GRANTS MANAGEMENT OFFICE AND A GRANTS POLICY.
22 WE BADLY NEED INFORMATION TECHNOLOGY. WE ALSO HOPE TO
23 HAVE A WEBSITE REVIEW SYSTEM, AND ALSO WE WILL NEED
24 SYSTEMS FOR GRANTS MANAGEMENT FOR TRACKING THE FUNDS.
25 WE ARE TRYING TO PURSUE ALL OF THESE.

1 AS WE HIRE PEOPLE, OF COURSE, WE NEED
2 SOMEBODY IN HUMAN RESOURCES. AND FINALLY, WE NEED A
3 DIRECTOR OF THE OFFICE OF COMMUNICATIONS.

4 WE ARE TRYING TO PROCEED ON THESE FRONTS. WE
5 HAVE BEEN CONSTRAINED BY THE FACT THAT WE DON'T AS YET
6 KNOW WHERE WE WILL BE LOCATED. ARLENE'S SITUATION WAS
7 AN UNUSUAL ONE; BUT, IN FACT, IT WILL BE DIFFICULT TO
8 HIRE PEOPLE IF WE DON'T KNOW WHERE WE ARE. SO OUR
9 INTENT IS TO HAVE JOB DESCRIPTIONS, TO ADVERTISE THEM,
10 AND TO HAVE THIS READY TO GO AS SOON AS THE DECISION
11 ABOUT THE SITE IS MADE ON MAY 6TH, AND THEN WE WILL
12 PROCEED WITH THESE RECRUITMENTS AS QUICKLY AS POSSIBLE.

13 NOW, IN THE INTERIM WE HAVE OBTAINED VALUABLE
14 HELP ON THE GRANTS MANAGEMENT SIDE AND SCIENTIFIC SIDE
15 FROM SEVERAL CONSULTANTS. WE HAVE ENGAGED CONSTANCE
16 ATWELL, WHO IS RETIRED RECENTLY FROM NINDS WHERE SHE
17 RAN THE EXTRAMURAL PROGRAMS THERE. MANY OF YOU MAY
18 KNOW HER, AND SHE WILL CONSULT WITH US -- SHE WILL HELP
19 US, FOR EXAMPLE, IN PUTTING TOGETHER AN RFA, IF WE ARE
20 ABLE TO DO THAT THIS MONTH, AS WE HOPE, AND WILL JUST
21 BE -- SHE ALREADY HAS BEEN ACTUALLY INVALUABLE IN
22 REVIEWING SOME OF THE THINGS THAT WE ARE DOING.

23 WE NEED A GRANTS POLICY, WHICH BASICALLY SAYS
24 TO OUR GRANTEE INSTITUTIONS, IF YOU TAKE OUR MONEY,
25 HERE'S WHAT YOU'RE OBLIGED TO DO, HERE'S WHAT YOU CAN

1 DO, AND HERE'S WHAT YOU CAN'T DO, HERE'S HOW THE MONEY
2 IS GOING TO PAID, HERE'S WHAT REPORTS YOU OWE US.

3 WE HAVE ENGAGED LMI CONSULTANTS, WHICH IS A
4 GROUP IN WASHINGTON, TO WRITE A GRANTS MANAGEMENT
5 POLICY PROGRAM FOR US. DIANA JAEGER, WHO IS ONE OF THE
6 PEOPLE WHO WILL BE WORKING WITH US, WAS THE NUMBER TWO
7 PERSON IN EXTRAMURAL ACTIVITIES AT THE NIH AND
8 ESSENTIALLY WROTE THE LAST NIH GRANTS POLICY STATEMENT.

9 THEY WILL LOOK AT A NUMBER OF ORGANIZATIONS,
10 INCLUDING, FOR INSTANCE, THE AMERICAN CANCER SOCIETY,
11 JDRF, NIH, AND OTHERS, AND THEN COME TO US WITH A
12 GRANTS POLICY STATEMENT THAT HAS A VARIETY OF CHOICES
13 IN IT. DO YOU WANT TO DO THIS OR THIS? DO YOU WANT TO
14 DO THIS OR THIS? AND THIS WILL ESTABLISH OUR POLICY.

15 ONCE THE POLICY IS ESTABLISHED, WE NEED TO
16 HAVE OPERATIONS. AND WE'RE VERY FORTUNATE THAT A WOMAN
17 NAMED DIANE WATSON, WHO WAS SORT OF THE DEAN OF GRANTS
18 MANAGERS AT NIH, RETIRED AND HAS BEEN LIVING IN LA
19 JOLLA FOR THE LAST FEW YEARS, AND, IN FACT, HAS DONE
20 SOME WORK AT UC SAN DIEGO. SHE ESTABLISHED THE FIRST
21 GRANTS MANAGEMENT OFFICE AT NIAMS WHEN IT WAS STARTING,
22 AND SHE WENT ON TO HEAD THE OFFICE AT CHILD HEALTH AND
23 DEVELOPMENT. SHE TRAINED SEVEN OF THE CURRENT GRANT
24 MANAGERS AT NIH. SO WE'RE GOING TO ENGAGE HER TO
25 ACTUALLY ESTABLISH THE PROCEDURES, TO HELP US WITH THE

1 HIRING, AND I WOULD LIKE TO ENGAGE HER AS A
2 CONSULTANT -- PAST HIRING SOMEBODY TO RUN OUR OFFICE SO
3 SHE CAN WORK WITH THEM AS PROBLEMS ARISE AND BASICALLY
4 HELP TRAIN THEM AS NEEDED.

5 SHE'S FORTUNATELY CLOSE BY, SINCE SHE LIVES
6 WITHIN THE STATE, AND WE THINK THAT'S GOING TO BE A
7 GREAT ADVANTAGE.

8 WE HAVE ENGAGED TWO OTHER PEOPLE TO HELP US
9 OUT. ALEXANDRA CAMPE JUST JOINED US LAST WEEK, TWO
10 WEEKS. I'M SORRY. SHE'S ON LOAN FROM UCSF, HUMAN
11 RELATIONS, FOR SIX MONTHS, I THINK IT IS. AND HER JOB
12 THERE HAS BEEN A SPECIALIST IN WRITING JOB DESCRIPTIONS
13 AND IN CLASSIFICATION. AND SINCE WE WANT TO KEEP OUR
14 SYSTEM ROUGHLY TO THAT OF THE UNIVERSITY OF CALIFORNIA,
15 SHE WOULD BE OF INVALUABLE HELP TO US, AND SHE ALREADY
16 HAS BEEN, I MUST SAY. WE'RE DELIGHTED TO HAVE HER.

17 AND THEN FINALLY, TO HELP US AS WE TRY TO
18 SORT THROUGH OUR I.T. PROBLEMS AND CHALLENGES, DAVID
19 KINGSBURY, WHO IS A CONSULTANT FROM THE MOORE
20 FOUNDATION, HAS AGREED TO HELP US ON A PRO BONO BASIS.
21 DAVID WAS AT THE NSF. HE LATER WAS THE CIO AT JOHNS
22 HOPKINS MEDICAL SCHOOL, AND AFTER THAT WAS THE CIO AT
23 CHIRON AND NOW IS AT MOORE FOUNDATION. SO HE HAS BROAD
24 EXPERIENCE, AND HE'S AGREED TO ADVISE US TO HELP US
25 HIRE A CIO, AND IN THE MEANTIME TO FIND A GOOD FIRM

1 THAT WILL COME IN AND HELP US PUT THINGS IN PLACE EVEN
2 BEFORE WE HIRE SOMEBODY.

3 SO WE ARE MOVING AHEAD. WE WILL TRY TO GET
4 OUT ADS FOR A NUMBER OF POSITIONS NEXT MONTH; AND THEN,
5 AS I SAID, MOVE AS QUICKLY AS WE CAN ONCE WE KNOW WHERE
6 WE'RE GOING TO BE.

7 ONE OF OUR GOALS HAS BEEN TO ESTABLISH A
8 STRONG RELATIONSHIP WITH THE SCIENTIFIC COMMUNITY, NOT
9 ONLY IN THE STATE OF CALIFORNIA, BUT ALSO BEYOND,
10 BUT PARTICULARLY IN THE STATE OF CALIFORNIA. SO MARY
11 MAXON, WHO IS ED PENHOET'S DEPUTY, AND I HAVE ENGAGED
12 IN A SERIES OF MEETINGS WITH STEM CELL RESEARCHERS
13 AROUND THE STATE. WE BEGAN AT A MEETING IN SAN DIEGO
14 SEVERAL WEEKS AGO, AND WE MET WITH REPRESENTATIVES OF
15 THE, I THINK IT'S CALLED, THE MESA GROUP ON -- WORKING
16 GROUP ON STEM CELL RESEARCH, REPRESENTATIVES OF LOCAL
17 GROUPS THERE, SALK, UC SAN DIEGO, NEUROSCIENCE
18 INSTITUTE, SCRIPPS, AND BURNHAM INSTITUTE.

19 WE HAD A VERY PRODUCTIVE MEETING YESTERDAY.
20 MARY AND I MET WITH USC, CAL TECH, AND CITY OF HOPE
21 STEM CELL RESEARCHERS, AND TOMORROW MARY WILL BE GOING
22 TO UCLA TO MEET WITH THEM. AS WE HAVE TIME, WE WILL
23 MEET WITH OTHER PEOPLE. WE HAVE NOT HAD A CHANCE -- I
24 HAVE NOT HAD A CHANCE TO MEET WITH ANYBODY AT UCSF OR
25 STANFORD OR ANY OF THE BAY AREA INSTITUTIONS, BUT WE

1 WILL BE CERTAINLY INTERESTED IN TALKING TO THEM.
2 IRVINE. WE WILL SLOWLY MAKE OUR WAY AROUND TO THE
3 VARIOUS AREAS IN THE STATE, AND WE WILL APPRECIATE YOUR
4 HELP AND SUGGESTIONS AS WE DO THAT.

5 AND OUR INTENT, BY THE WAY, IS TWOFOLD.
6 FIRST OF ALL, WE WANT PEOPLE TO BE INFORMED ABOUT WHAT
7 WE'RE DOING. AS I'M SURE THOSE OF YOU ASSOCIATED WITH
8 ACADEMIC INSTITUTIONS KNOW, THERE'S A LOT OF GUESSWORK
9 AND UNCERTAINTY AND PEOPLE WONDERING EXACTLY WHAT OUR
10 POLICIES ARE GOING TO BE, TRYING TO READ THE TEA
11 LEAVES. SO OUR INTENT IS TO GET OUT AND TO TELL PEOPLE
12 EXACTLY WHAT WE'RE DOING AND WHAT WE'RE THINKING ABOUT.

13 MORE IMPORTANTLY IS TO HEAR FROM THEM WHAT
14 THEIR PLANS ARE AND WHAT THEIR NEEDS ARE. WE WANT TO
15 STAY IN TOUCH WITH THE SCIENTIFIC COMMUNITY AND BE
16 RESPONSIVE TO THEM. ULTIMATELY OUR JOB IS TO SERVE
17 THAT COMMUNITY AND TO ENGAGE IT AS DIRECTLY AS POSSIBLE
18 AND TO TRY TO FACILITATE ITS WORK.

19 NOW, GOING FORWARD, WE NEED TO DO THIS IN A
20 MORE FORMAL WAY. THAT IS, WE NEED TO ENGAGE THE LARGER
21 SCIENTIFIC COMMUNITY TO HELP US FORMULATE OUR
22 SCIENTIFIC GOALS, BOTH FOR BASIC SCIENCE AND ALSO FOR
23 CLINICAL SCIENCE. AND SO WE ARE PLANNING A MEETING IN
24 THE LATE SUMMER, WHICH WILL BE A MEETING THAT WILL
25 PROVIDE INPUT AND ADVICE FOR US AS WE SET A SCIENTIFIC

1 AGENDA.

2 FRED GAGE FROM THE SALK INSTITUTE, DOUG
3 MELTON FROM HARVARD, AND MYSELF AND SEVERAL OTHERS YET
4 TO BE NAMED, INCLUDING AT LEAST ONE PATIENT ADVOCATE,
5 WILL BE ON A SMALL PLANNING COMMITTEE. MY INTENT IS TO
6 HAVE A SERIES OF SESSIONS ORGANIZED AROUND PARTICULAR
7 TOPICS, TO INVITE LEADING INVESTIGATORS IN FROM ACROSS
8 THE WORLD, AND TO ASK THEM NOT TO GIVE THEIR USUAL
9 SEMINAR. WE HOPE TO BE PARTIALLY SUCCESSFUL WITH THAT,
10 SPEAKING REALISTICALLY, BUT NOT TO GIVE THEIR USUAL
11 SEMINAR, BUT TO GIVE WHAT THEY SEE AS AN ASSESSMENT OF
12 THE FIELD, WHAT IS KNOWN, WHAT IS NOT KNOWN, WHAT ARE
13 THE CHALLENGES THAT WE FACE, WHAT ARE THE
14 OPPORTUNITIES, AND TRY TO HELP US WORK THROUGH A SERIES
15 OF TOPICS.

16 AND ON THAT BASIS, I THINK WE WILL BETTER BE
17 ABLE TO SAY HERE ARE THINGS THAT ARE NEEDED BY THE
18 RESEARCH COMMUNITY IF WE'RE TO GO FORWARD. HOW CAN WE
19 ADOPT OUR GRANTS POLICIES AND OTHER ACTIVITIES TO BEST
20 MAKE THAT HAPPEN.

21 WE LOOK FORWARD TO THAT MEETING. IT WILL BE
22 A RELATIVELY SMALL NUMBER OF SPEAKERS, BUT THE MEETING
23 WILL BE OPEN. WE HOPE IT WILL BE AN OPPORTUNITY FOR
24 EDUCATING THE PUBLIC, AND WE WELCOME BROAD
25 PARTICIPATION IN THE MEETING AT LEAST FOR PEOPLE TO SEE

1 AND PARTICIPATE INSOFAR AS THEY WISH IN THE
2 DISCUSSIONS. SO WE THINK THAT WILL BE VERY IMPORTANT
3 FOR US IN GOING FORWARD.

4 FINALLY, LET ME JUST, NOT QUITE FINALLY, BUT
5 LET ME JUST MENTION AN ITEM THAT LEADS INTO WHAT WE
6 WILL BE TALKING ABOUT NEXT. AS YOU KNOW, AT THE LAST
7 MEETING I WAS CHARGED WITH DEVELOPING A POLICY FOR A
8 GRANTS PROGRAM FOR TRAINING GRANTS, AND WE'LL DISCUSS
9 THAT LATER. BUT I JUST WANT TO SHARE WITH YOU THE
10 SCHEDULE THAT WE FORESEE FOR THE NEXT FEW MONTHS IN
11 TERMS OF THAT.

12 THIS WILL BE OUR FIRST ROUND OF GRANTS,
13 EXTREMELY IMPORTANT IN THAT REGARD. AND SO WE ARE
14 KEYING MANY OF OUR ACTIVITIES TO THIS SCHEDULE IN ORDER
15 THAT WE CAN MOVE EXPEDITIOUSLY THROUGH IT. WE HOPE
16 TODAY THAT WE WILL BE ABLE TO ESTABLISH CONFLICT OF
17 INTEREST POLICIES FOR THE GRANTS AND STANDARDS WORKINGS
18 GROUPS AND TO RECEIVE AUTHORIZATION THAT WILL ALLOW US
19 TO GO AHEAD WITH AN RFA FOR TRAINING GRANTS.

20 WE PLAN TO GET THAT RFA OUT THIS MONTH IF WE
21 POSSIBLY CAN. WE THINK WE CAN DO THAT. WE WILL THEN
22 AT THE MAY ICOC MEETING APPOINT BOTH GRANTS AND
23 STANDARDS WORKING GROUPS, WE HOPE. WE HOPE ALSO, NOT
24 ON THIS SCHEDULE, BUT WE HOPE THAT THE NATIONAL
25 ACADEMIES WILL HAVE THEIR REPORT ON STANDARDS FOR STEM

1 CELL RESEARCH, AND WE CAN THEN CHARGE THE STANDARDS
2 WORKING GROUP AT ITS FIRST MEETING IN JUNE TO CONSIDER
3 THIS OR A VARIATION OF IT AS THE BASIS FOR OUR INTERIM
4 STANDARDS BEFORE GOING INTO THE 270-DAY PROCESS THAT
5 OUR CHAIR MENTIONED EARLIER.

6 IF WE ARE TO GET RESEARCH STARTED, WE NEED TO
7 HAVE THOSE STANDARDS IN PLACE. ACTUALLY THE TIMING
8 SEEMS TO US TO WORK OUT QUITE WELL ACCORDING TO TERMS
9 OF THE NATIONAL ACADEMY.

10 CHAIRMAN KLEIN: AND, DR. HALL, I THINK TO
11 SUPPLEMENT THAT, THE BOARD WILL LOOK AT WHAT THE
12 NATIONAL ACADEMIES' PRODUCT IS IN THE MAY MEETING TO
13 ASSESS WHETHER WE SHOULD FOLLOW THIS SCHEDULE. SO THIS
14 IS A PROJECTED TIME LINE, BUT ALWAYS SET ON THE
15 CORNERSTONE THAT AT EVERY POINT IN THIS TIME LINE, THE
16 BOARD WILL BE APPROVING THE NEXT INCREMENTAL TIME IN
17 THE PROCESS THAT'S BEING FOLLOWED WITH PUBLIC HEARINGS.

18 DR. HALL: THANK YOU. THEN WE HOPE TO HAVE
19 OUR FIRST GRANT REVIEW IN JULY AND AUGUST. AND THEN IF
20 WE CAN FOLLOW THE SCHEDULE, AND I CAN TELL YOU FROM THE
21 AMOUNT OF WORK INTERNALLY, IT IS A DAUNTING ONE. WE
22 HOPE WE CAN ACTUALLY HAVE MONEY OUT THE DOOR AFTER A
23 SEPTEMBER APPROVAL MEETING IN WHICH THE ICOC LOOKS AT
24 THE RESULTS OF THE GRANTS REVIEW AND MAKES ITS OWN
25 DECISION ABOUT WHICH BRANCH THAT WE SHOULD FUND.

1 OUR IMMEDIATE GOALS ARE TO INITIATE SEARCHES
2 FOR PERSONNEL, AND IN PARTICULAR WE NEED PERSONNEL TO
3 STAFF THESE WORKING GROUPS. WE WILL BE WORKING ON
4 WRITING THE RFA, IF SUCH WE'RE AUTHORIZED TO DO SO
5 TODAY, TO BEGIN OUR PLANS FOR GRANTS MANAGEMENT, WHICH
6 WE NEED TO HAVE IN PLACE SOON. CHOOSE AND INSTALL I.T.
7 SYSTEMS FOR GRANTS REVIEW AND MANAGEMENT AND BEGIN
8 PLANNING FOR THE NEXT ROUND OF GRANTS.

9 AND OUR LONG RANGE GOALS, WHICH I DON'T HAVE
10 A SLIDE, IS IN MY VIEW OUR MOST IMPORTANT TASK IN THE
11 MEDIUM RANGE, I GUESS, IS TO SET OUR SCIENTIFIC
12 DIRECTION TO UNDERSTAND WHAT WE ARE ABOUT HERE, AND
13 TO TRY TO SET SOME PRIORITIES, AND THEN TO BUILD OUR
14 ORGANIZATION AND OUR GRANT PROGRAMS TO ACHIEVE THOSE
15 SCIENTIFIC AND CLINICAL GOALS. THANK YOU VERY MUCH.
16 I'M HAPPY TO ANSWER ANY QUESTIONS ABOUT --

17 CHAIRMAN KLEIN: I THINK DR. LEVEY, AND THEN
18 WE WILL GO DOWN THE ROAD WITH THE BOARD FIRST. DR.
19 LEVEY.

20 DR. LEVEY: ZACH, I WAS WONDERING, AS YOU
21 VIEW THIS SETUP, THIS VERY COMPLICATED GRANTS
22 MANAGEMENT TEAM, ARE THERE ORGANIZATIONS THAT ACTUALLY
23 DO THIS THAT WE COULD HAVE SOME SORT OF AN OUT-SOURCING
24 ARRANGEMENT WITH?

25 DR. HALL: YES.

1 DR. LEVEY: THERE ARE SO MANY LARGE
2 FOUNDATIONS IN THIS COUNTRY. I WAS WONDERING WHETHER
3 THEY --

4 DR. HALL: THE COMMERCIAL FIRMS THAT DO THIS.
5 SO LET ME JUST SAY THAT WE DON'T HAVE TO INVENT THIS
6 FROM SCRATCH, AND WE HAVE ALREADY CONTACTED, FOR
7 EXAMPLE, TO LOOK AT THE GRANTS MANAGEMENT SYSTEMS,
8 HHMI, MOORE FOUNDATION, ALSO UNIVERSITY OF CALIFORNIA,
9 IT TURNS OUT, HAS QUITE A GOOD SYSTEM THROUGH UCOP FOR
10 AWARDING BREAST CANCER AND OTHER PROGRAMS, TOBACCO
11 PROGRAMS. I CAN'T REMEMBER THE OFFICIAL NAME OF THAT.
12 BUT AT ANY RATE, WITH DAVID KINGSBURY AND WITH OUR
13 GRANTS MANAGEMENT PEOPLE, WE WILL BE ASSESSING THOSE,
14 SO WE'RE NOT GOING TO DO THAT NOW.

15 WE DID CONSIDER THE POSSIBILITY OF
16 OUT-SOURCING THE WHOLE THING, BUT DECIDED NOT TO FOR
17 TWO REASONS. ONE IS PEOPLE EXPERIENCED IN THIS AT NIH
18 SAY IT'S VERY IMPORTANT THAT THE GRANTS MANAGEMENT BE
19 CLOSELY TIED TO THE SCIENTIFIC PROGRAMS. THAT IS, THE
20 SITUATION VERY OFTEN ARISES WHERE SOMEBODY HAS GOT A
21 BIG GRANT, THEY CONTACT THE GRANTS MANAGER, AND THEY
22 SAY WE WANT TO CHANGE WHAT WE SAID WE WERE GOING TO
23 DO. AND SO WHAT'S NEEDED AT THAT POINT IS NOT SIMPLY,
24 YES, YOU CAN DO THIS LEGALLY, BUT ALSO SCIENTIFIC
25 INPUT. IS THIS THE RIGHT THING TO DO? IS THIS THE

1 SENSIBLE THING TO DO? AND VERY OFTEN, IN MY
2 EXPERIENCE, SCIENTIFIC PROGRAM PEOPLE CAN INTERVENE AND
3 SAY THIS IS EXTREMELY IMPORTANT. WE HAVE TO FIND A WAY
4 TO DO THIS. OR TO SAY THIS REALLY DOESN'T MAKE MUCH
5 SENSE FROM A SCIENTIFIC POINT OF VIEW. THIS IS
6 SOMETHING ELSE, SOME OTHER AGENDA HERE.

7 SO IT IS THOSE KINDS OF INTERACTIONS THAT ARE
8 VERY, VERY IMPORTANT. I THINK A SCIENTIFICALLY
9 UNINFORMED GRANTS MANAGEMENT SYSTEM IS, I THINK, NOT A
10 GOOD ONE. SO IN ORDER TO KEEP THAT CLOSE, WE ACTUALLY
11 WANT THEM IN THE SAME OFFICE IF POSSIBLE.

12 NO. 2 IS -- MY OWN VIEW IS THAT WE HAVE A
13 GREAT RESPONSIBILITY TO SPEND THESE FUNDS WELL AND TO
14 BE SURE THAT THEY ARE ACCOUNTED FOR AND THAT WE MANAGE
15 THEM IN THE RIGHT WAY. I, FRANKLY, AM RELUCTANT TO
16 CEDE THAT TO A THIRD PARTY AT THIS POINT. I THINK WE
17 NEED TO KEEP IT IN HOUSE. AND IF AS WE GO ALONG, WE
18 SAY WE CAN DO THIS CHEAPLY AND BETTER, BUT I THINK WE
19 NEED TO BE IN CHARGE OF SETTING IT UP, AND WE NEED TO
20 BE THE ONES THAT KNOW EXACTLY WHAT'S HAPPENING. AND
21 IT'S ABSOLUTELY ACCOUNTABLE, AND WE DON'T HAVE TO ASK
22 SOMEBODY ELSE HOW DID THIS HAPPEN. WE KNOW OURSELVES.

23 IT JUST SEEMS TO ME TOO IMPORTANT TO DO THAT
24 GIVEN OUR ACCOUNTABILITY TO THE STATE AND TO THE
25 CALIFORNIA PUBLIC.

1 CHAIRMAN KLEIN: DOCTOR?

2 DR. HENDERSON: COULD YOU PUT UP YOUR

3 ORGANIZATION CHART, ZACH?

4 DR. HALL: I CAN.

5 DR. HENDERSON: BRIAN HENDERSON. I HAVE TWO

6 QUESTIONS. FIRST OF ALL, I'M CONCERNED ABOUT THE

7 APPARENT OVERLAP IN ADMINISTRATIVE RESPONSIBILITY

8 BETWEEN THE PRESIDENT AND THE CHAIR AT THE WORKING

9 LEVEL OF ALL THE CHIEF OFFICERS. I'D LIKE TO SUGGEST

10 THAT THE LINE BE BROKEN AT SOME POINT SO THAT THE

11 ORGANIZATIONS ARE RUN IN PARALLEL, BUT INDEPENDENTLY

12 AND NOT OVERLAPPING.

13 DR. HALL: THEY'RE NOT MEANT TO -- PERHAPS

14 THE LINE THERE IS UNCLEAR. AS IT'S DRAWN, CHIEF

15 INFORMATION OFFICER, CHIEF SCIENTIFIC OFFICER, CHIEF

16 ADMINISTRATIVE OFFICER REPORT DIRECTLY TO THE PRESIDENT

17 WITH NO REPORT TO THE CHAIR.

18 DR. HENDERSON: BUT THERE'S A LINE --

19 DR. HALL: THERE'S A LINE CONNECTING, BUT PAY

20 ATTENTION TO THE VERTICAL LINES, IF YOU WOULD. THOSE

21 ARE THE ONES. AND THEN THE CHIEF COMMUNICATIONS

22 OFFICER IS A JOINT REPORT, AND CHIEF LEGAL OFFICER AND

23 THE POLICY STAFF REPORT DIRECTLY TO THE CHAIR.

24 DR. HENDERSON: I'D JUST LIKE TO SEE THE

25 ORGANIZATION CHART FAIRLY REFLECT THE SEPARATION OF

1 ADMINISTRATION, AND I DON'T THINK THIS IS ADEQUATELY
2 PRESENTED MYSELF.

3 IT LOOKS TOO MUCH LIKE THERE'S A LINE OF.
4 OVERLAPPING AUTHORITY IN THE BLUE LINE BETWEEN THE
5 CHAIRMAN AND, LET'S SAY, THE CHIEF SCIENTIFIC OFFICER.
6 IT'S AT ALL NOT CLEAR TO ME, ANYWAY, THE WAY IT'S
7 DRAWN. AND I JUST SUGGEST YOU MIGHT WANT TO REDRAW IT.

8 DR. HALL: I THINK THAT'S A DEFECT IN THE
9 GRAPHICS, WOULD YOU AGREE?

10 CHAIRMAN KLEIN: ABSOLUTELY. THERE'S
11 COMPLETE AGREEMENT ON THE INTENT, AND WE'LL REDRAW IT
12 SO IT GRAPHICALLY REPRESENTS THE COMMON INTENT THAT
13 YOU'RE EXPRESSING, THAT THE PRESIDENT IS EXPRESSING --

14 DR. HALL: WE HAVE A LIMITED NUMBER OF HANDS
15 AT THIS POINT. SOMETIMES HIGHLY TRAINED, BUT
16 INEXPERIENCED PEOPLE ARE CALLED TO MAKE SOME OF THESE
17 THINGS.

18 DR. HENDERSON: I THINK A POTENTIAL
19 PRESIDENTIAL RECRUIT, THIS IS GOING TO BE A KEY ISSUE
20 TO ANYBODY COMING, THAT THIS BE CLEARLY OUTSTATED AT
21 THE OUTSET AND GRAPHICALLY OBVIOUS TO EVERYBODY.

22 MY SECOND QUESTION HAS TO DO WITH THE
23 FINANCIAL OVERSIGHT BOTH OF THE PRESIDENT'S BUDGET
24 SPENDING AND OF THE BOARD'S BUDGET SPENDING.

25 I WOULD SAY YOU HAVE A CHIEF ADMINISTRATIVE

1 OFFICER, CONTROLLER WHO IS RESPONSIBLE FOR THE
2 FINANCIAL ACTIVITIES WITHIN THE INSTITUTE.

3 DR. HALL: THE WHOLE -- WHAT'S SHOWN THERE
4 BELOW THE ICOC IS, IN FACT, DEFINED AS THE INSTITUTE.
5 NOW, THE CHAIR AND VICE CHAIR ARE NOT COUNTED WITHIN
6 PEOPLE IN THE INSTITUTE, BUT THEY'RE STAFFED BY
7 INSTITUTE MEMBERS.

8 DR. HENDERSON: SO IT'S A PARALLEL.

9 DR. HALL: NO, SIR. THE CHIEF ADMINISTRATIVE
10 OFFICER IS RESPONSIBLE FOR THE FINANCES OF THE WHOLE
11 THING. AND WE ARE WORKING, AND WE HOPE TO HAVE A
12 DETAILED FINANCIAL REPORT FOR YOU AT THE NEXT MEETING
13 THAT WILL GO OVER THAT. WHAT WE WILL WORK OUT IS A
14 BUDGET THAT, IN FACT, SO WE HAVE SORT OF BUDGETARY --
15 WHAT'S THE WORD? -- GOALS, ASSIGNMENTS SO THAT WE HAVE
16 A BUDGETARY ALLOTMENT FOR EACH OF THOSE OFFICES HERE.
17 AT SOME POINT WE WILL WORK THAT OUT. SO THAT THERE
18 WILL BE CLEAR GUIDELINES THAT THIS IS THE BUDGET FOR
19 THIS PARTICULAR OFFICE, THIS IS THE BUDGET FOR THAT
20 OFFICE. WE HOPE TO HAVE THAT IN THE FUTURE, AS WELL
21 AS, BY THE WAY, A PROJECTION.

22 CHAIRMAN KLEIN: YES. I THINK DR. PIZZO AND
23 THEN DR. PRECIADO.

24 DR. PIZZO: FIRST, ZACH, THANK YOU VERY MUCH
25 FOR ALL THE WORK THAT YOU'VE DONE SO FAR. I THINK IT'S

1 IMPRESSIVE OF THE AMOUNT OF PROGRESS YOU'VE MADE TO
2 THIS POINT IN TIME.

3 MY QUESTION IS PERHAPS MORE TRIVIAL, AND
4 THAT IS IT RELATES TO WHAT YOU MEAN BY THE AWARDING
5 GRANTS IN SEPTEMBER. ARE YOU TALKING ABOUT AWARDING
6 THE TRAINING GRANTS?

7 DR. HALL: YES. THAT'S THE FIRST ROUND OF
8 TRAINING GRANTS. I'M SORRY IF THAT WASN'T CLEAR.

9 DR. PIZZO: THAT WASN'T CLEAR.

10 DR. HALL: GOING THROUGH THE FIRST CYCLE WE
11 HAVE TO FACE BECAUSE THAT'S WHAT WE HAVE TO BE READY
12 FOR. AND THE OTHER CYCLES WILL FOLLOW WITH LAG AND ALL
13 THAT.

14 CHAIRMAN KLEIN: DR. PRECIADO.

15 DR. PRECIADO: DR. PRECIADO. I HAVE TWO
16 QUESTIONS.

17 DR. HALL: YES.

18 DR. PRECIADO: FIRST OF ALL, THANK YOU FOR
19 THIS OVERVIEW. IT WAS REALLY INFORMATIVE. MY FIRST
20 QUESTION IS WHAT KIND OF OUTREACH EFFORTS ARE YOU DOING
21 IN TERMS OF REFLECTING THE DIVERSITY OF THE STATE WHEN
22 YOU LOOK AT YOUR SCIENTIFIC --

23 DR. HALL: I FAILED TO SAY, AND I SHOULD HAVE
24 SAID, THAT DR. CHIU WAS HIRED AFTER A SEARCH, AND WE
25 HAD A LOT OF CANDIDATES FOR THAT SEARCH. WE

1 INTERVIEWED TWO OF THEM, AND SHE WAS CHOSEN. IT WAS
2 FOR REASONS I THINK YOU ALL UNDERSTAND. IT WAS DONE IN
3 HASTE, BUT WE POSTED THE JOB ON OUR WEBSITE. WE POSTED
4 IT ON THE INTERNATIONAL SOCIETY FOR STEM CELL BIOLOGY
5 WEBSITE. IT WAS POSTED ON BIOSPACE, WHICH IS A
6 CALIFORNIA BAY AREA WEBSITE THAT IS -- BAY AREA OR ALL
7 OF CALIFORNIA. I'M NOT SURE. AND IT ALSO WAS POSTED
8 IN VARIOUS STATE OFFICES.

9 AND WE SPOKE -- AS WE MOVED AROUND, AS WE
10 SPOKE ABOUT IT, SO WE TRIED TO CAST AS WIDE A NET AS WE
11 COULD.

12 FOR FUTURE JOBS, WE TRY TO ADVERTISE IN
13 "SCIENCE" AND "NATURE" AND OTHER APPROPRIATE JOURNALS,
14 "NEW ENGLAND JOURNAL," IF THAT'S APPROPRIATE, BUT WE'LL
15 TRY TO ADVERTISE WIDELY. WORD IS ALREADY SPREADING BY
16 WORD OF MOUTH. WE ACTUALLY HAVE APPLICATIONS, IF NOT
17 POURING IN, CLOSE TO IT, FOR JOBS, SOME OF WHICH WE'VE
18 ADVERTISED, SOME OF WHICH -- ONE WE'VE ADVERTISED,
19 OTHERS WE HAVEN'T.

20 SO I THINK THERE'S GOING TO BE BROAD
21 INTEREST. WE ARE CONCERNED TO HAVE AS DIVERSE A GROUP
22 OF APPLICANTS AS WE CAN, AND WE WILL MAKE SPECIAL
23 EFFORTS TO WORK ON THAT.

24 DR. PRECIADO: MY SECOND QUESTION HAS TO DO
25 WITH MY ROLE AS A PATIENT ADVOCATE. AND WHAT I'M NOT

1 SEEING IN THIS CHART IS A BOX OR LINE THAT REFLECTS
2 PARALLEL EFFORTS TO EDUCATE THE COMMUNITY WITH GOALS
3 OF, IN PARTICULAR, GETTING THE CONCEPT WHAT OF WHAT IS
4 A STEM CELL IN LAYMAN'S TERMS OUT INTO THE COMMUNITY AT
5 THE SAME TIME THAT YOUR MOVEMENT IS MOVING THE
6 SCIENTIFIC COMMUNITY.

7 DR. HALL: I'M GLAD YOU BROUGHT THAT UP
8 BECAUSE THAT'S AN ISSUE THAT I PERSONALLY AM VERY
9 CONCERNED ABOUT. THE CHAIR MAY WISH TO ADDRESS THAT
10 LATER BECAUSE THROUGHOUT THE CAMPAIGN AND NOW IN THE
11 ORGANIZATION THERE HAS BEEN A CONCERN ABOUT THAT. BUT
12 IT'S AN ISSUE I FEEL STRONGLY ABOUT. I WOULD LIKE TO
13 SEE, AND ONE OF THE REASONS WE HAVE A DUAL REPORT TO
14 THE COMMUNICATIONS OFFICER IS I WOULD LIKE TO SEE A
15 VERY ACTIVE CAMPAIGN OF EDUCATION TO THE PUBLIC, AND IN
16 PARTICULAR TO DISEASE ADVOCACY GROUPS. WE HAVE SOME
17 IDEAS THAT I THINK IS PREMATURE TO DISCLOSE RIGHT NOW,
18 BUT THAT WOULD REALLY HELP US IN MAKING AVAILABLE AS
19 QUICKLY ANY POSSIBLE RESEARCH THAT'S DONE, AND WOULD BE
20 AVAILABLE AND EXPLAINED IN LAY TERMS.

21 AND I THINK WE HAVE A WONDERFUL OPPORTUNITY
22 TO DO TWO THINGS. FIRST OF ALL, TO EXPLAIN WHAT STEM
23 CELL RESEARCH IS, AND SECONDLY, TO HELP THE PUBLIC
24 UNDERSTAND THAT THE ROAD TO THERAPY IS LONG AND
25 DIFFICULT, AND THAT THIS WILL NOT HAPPEN OVERNIGHT, BUT

1 TO SAY WHAT WE NEED TO DO AND TO SORT OF CHART OUR
2 PROGRESS AND TO EDUCATE PEOPLE.

3 I WOULD LOVE TO SEE OUR CONFERENCE IN THE
4 LATE SUMMER, OUR AGENDA-SETTING CONFERENCE, I WOULD
5 LOVE TO HAVE A COMMUNICATIONS ARM OF THAT, THAT AT THE
6 END OF EACH DAY WOULD EXPLAIN THE SCIENTIFIC ONE, AND
7 THEN A LAY DESCRIPTION OF WHAT WE'VE HEARD, WHAT IT
8 MEANS. IF YOU HAVE A DISEASE, WHAT DOES THIS MEAN FOR
9 YOU? AND REALLY USE THAT AS AN OPPORTUNITY FOR
10 EDUCATION. I THINK WE -- I HOPE THAT CONFERENCE WILL
11 BE WIDELY PUBLICIZED AND GENERATE A LOT OF PUBLICITY.
12 I THINK WITH A LOT OF PEOPLE THERE, I THINK IT WOULD
13 WIDELY REPORTED, AND I THINK IT'S A WONDERFUL
14 OPPORTUNITY FOR US TO MOVE THE SCIENCE OUT IN FRONT,
15 BUT THE EMPHASIS ON THE SCIENCE AND THE HOPE THAT IT
16 OFFERS AND THE THERAPIES THAT WE'RE TRYING TO DEVELOP,
17 AND THEN TO TALK ABOUT THOSE IN TERMS THAT LAY PEOPLE
18 UNDERSTAND.

19 I'D BE HAPPY TO TALK WITH YOU PRIVATELY ABOUT
20 SOME OF THE PLANS THAT WE'RE THINKING ABOUT AND LET ME
21 GET YOUR INPUT.

22 DR. PRECIADO: OKAY. I'M GOING TO PUSH FOR.
23 A BOX.

24 DR. HALL: OKAY. WE'LL DO IT. THANK YOU.

25 CHAIRMAN KLEIN: I'D LIKE TO SUPPLEMENT THOSE

1 COMMENTS. AS DR. HALL SUGGESTS, I HAVE A COMMON
2 CONCERN, DR. PRECIADO. WE'RE VERY CONCERNED ABOUT
3 EDUCATION, NOT JUST ON THE STEM CELL THERAPIES, WHICH I
4 KNOW THAT WE'RE ALL CONCERNED ABOUT, BUT ALSO THE
5 PROCESS OF TRANSLATIONAL MEDICINE, UNDERSTANDING THAT
6 PROCESS, AND FRANKLY HELPING THE PUBLIC UNDERSTAND THE
7 OPEN MEETING PROCESS, AS WELL AS THE ADVISORY COMMITTEE
8 PROCESS.

9 THE PUBLIC DOESN'T HAVE INFORMATION TO
10 UNDERSTAND THAT IN OUR PEER REVIEW PROCESS, WE HAVE
11 THREE SETS OF CHECKS AND BALANCES THAT REALLY ARE THERE
12 THAT THE ALLIANCE DOESN'T HAVE, THE PATIENT ADVOCACY
13 ORGANIZATIONS ACROSS THE COUNTRY DON'T HAVE, INCLUDING
14 THINGS LIKE HAVING SEVEN PUBLICLY APPOINTED PATIENT
15 ADVOCATES ON THE PEER REVIEW COMMITTEE, INCLUDING
16 HAVING MINORITY REPORTS AT 35 PERCENT, AND HAVING THE
17 FULL BOARD APPROVE A GRANT OR LOAN. SO THOSE ARE THE
18 THINGS THAT WE'VE DONE ON A PRELIMINARY BASIS.

19 WE'VE INTERVIEWED A NUMBER OF PUBLIC
20 RELATIONS FIRMS TRYING TO MIX THIS WITH OUR MEDIA.
21 STRATEGY. AND IN THE NEXT 45 TO 90 DAYS, I HOPE TO
22 COME BACK TO THE BOARD WITH SOME MATERIALS AND IDEAS,
23 AND A LONGER TERM PROGRAM, BUT IMMEDIATELY TRYING TO
24 GET SOME EDUCATIONAL MATERIALS OUT THERE SO THE PUBLIC
25 UNDERSTANDS HOW MUCH FURTHER THAN ANY EXISTING POLICY

1 WE'VE GONE, SO THEY UNDERSTAND HOW IMPORTANT IT IS TO
2 HAVE PUBLIC OVERVIEW AND PATIENT ADVOCATES IN THIS
3 PROCESS.

4 SPECIFICALLY WE'RE GOING TO TRY TO GET SOME
5 MEDIA IMPLEMENTATIONS ON THAT AND SOME MATERIALS FOR
6 REVIEW.

7 YES, DR. THAL.

8 DR. THAL: THANKS. IT WAS A WONDERFUL
9 PRACTICE AND A GREAT REPORT. I GATHER THE FIRST ROUND
10 WILL BE RESTRICTED TO TRAINING GRANTS. I KNOW IN THE
11 PAST WE TALKED ABOUT TRAINING GRANTS, RO1'S. AND I SEE
12 THAT AS TRUNCATED. I HOPE WE HAVEN'T LOST SIGHT OF
13 THOSE.

14 DR. HALL: I THOUGHT TO START WITH TRAINING
15 GRANTS BECAUSE THE NUMBER OF APPLICATIONS WILL BE
16 RELATIVELY LIMITED. THEY WILL BE EASIER TO REVIEW; AND
17 WHILE WE ARE GETTING OUR APPARATUS SET UP, IT IS THE
18 ONE THAT WE THINK WE CAN DO THE QUICKEST AND EASIEST,
19 AND IT IS AN EARLY NEED. THAT IS, WE WANT TO START, IN
20 PART, WITH THE ACADEMIC YEAR. IF POSSIBLE, WE WANT TO
21 START OUR TRAINING PROGRAMS THAT WILL YIELD WITHIN A
22 FEW YEARS HIGHLY TRAINED RESEARCHERS THAT CAN CARRY
23 THIS WORK FORWARD.

24 WE HAVE NOT FORGOTTEN THE OTHERS. IN FACT, I
25 THINK THERE'S AN AGENDA ITEM ON THE AGENDA AT THIS

1 MEETING THAT WILL ASK US TO BEGIN TO DEVELOP THESE
2 OTHER PROGRAMS.

3 DR. THAL: CAN YOU GUESSTIMATE THE NUMBER OF
4 TRAINING GRANTS THAT YOU MIGHT EXPECT IN THE FUTURE
5 ROUND, GUESSTIMATE?

6 DR. HALL: WE HAVE A WHOLE SESSION ON THIS.

7 CHAIRMAN KLEIN: YES, DR. POMEROY.

8 DR. POMEROY: CLAIRE POMEROY. THANK YOU,
9 ZACH, VERY MUCH. I THINK THAT ONE OF THE MOST
10 IMPORTANT THINGS YOU'RE ASKING US TO CONSIDER IS THIS
11 ORGANIZATION CHART. AND THIS ORGANIZATION CHART, AS
12 IT'S LAID OUT, WILL REALLY DICTATE HOW THIS ENTIRE
13 INSTITUTE WILL WORK FOR YEARS TO COME.

14 SO HAVING JUST SEEN THIS FOR THE FIRST TIME,
15 IT RAISES SOME ISSUES IN MY MIND. I FIND IT UNUSUAL
16 THAT YOU AS PRESIDENT WOULD HAVE NO RESPONSIBILITY OVER
17 20 PERCENT OF THE STAFF IN THE INSTITUTE, AND THAT
18 CONCERNS ME A BIT.

19 ALSO, IT'S AN UNUSUAL STRUCTURE IN THAT
20 GENERALLY I HAVE ALWAYS THOUGHT OF THE ICOC AS
21 FUNCTIONING AS THE BOARD OF DIRECTORS OVER THE
22 INSTITUTE. GENERALLY THE CHAIR OF THE BOARD IS
23 OPERATING UP AT THE BOARD LEVEL, AND ON THIS
24 ORGANIZATION CHART IT LOOKS VERY MUCH LIKE YOU'RE
25 SHARING RESPONSIBILITIES HERE.

1 COULD YOU CLARIFY FOR ME? IS THE CHAIR AN
2 EMPLOYEE OF THE CALIFORNIA INSTITUTE OF REGENERATIVE
3 MEDICINE? AND IF HE IS NOT, WHY IS HE DOWN IN THE
4 ORGANIZATION CHART? AND HOW WILL HE SUPERVISE AND
5 EVALUATE AND GIVE PROMOTIONS TO TEN OF THE EMPLOYEES?

6 DR. HALL: LET ME MAKE A SHORT ANSWER, AND
7 THEN I THINK THE CHAIR WILL WANT TO COMMENT AS WELL.

8 THERE IS IN PROPOSITION 71 A RATHER CLEAR
9 DELINEATION OF DUTIES THAT SIMPLY CAN BE SUMMARIZED BY
10 SAYING -- I SOMETIMES GET IN TROUBLE WITH MY
11 ANALOGIES -- BUT THE OLD ARMY FOOTBALL THEMES, FOR
12 THOSE OF YOU WHO MIGHT BE OLD ENOUGH TO REMEMBER, MR.
13 INSIDE AND MR. OUTSIDE. AND SO THE SIMILAR ARRANGEMENT
14 HERE IS THAT THE CHAIR IS CHARGED THROUGH THE
15 PROPOSITION WITH BEING RESPONSIBLE FOR BOND ISSUES,
16 RELATIONS WITH THE LEGISLATURE, AND THOSE EXTERNAL
17 ACTIVITIES; WHEREAS, THE PRESIDENT IS RESPONSIBLE FOR
18 THE INTERNAL WORKINGS OF THE INSTITUTE, FOR HIRING
19 PEOPLE FOR DAY-TO-DAY OPERATIONS, AND FOR THE
20 SCIENTIFIC COMPONENT.

21 AND THE CHAIR AND I, I THINK, ARE IN
22 AGREEMENT ON THIS. THIS WAS MEANT TO REFLECT THAT. I
23 AGREE IT IS UNUSUAL IN ONE SENSE, AND I THINK IN ACTUAL
24 FACT, THE STAFF MEMBERS WILL FALL UNDER THE POLICIES OF
25 CIRM IN TERMS OF JOB CLASSIFICATION, AND ALL OF OUR

1 POLICIES, SOME OF THEM WE WILL DISCUSS LATER.

2 BUT THEIR DIRECT REPORTS WILL BE ON THE
3 RIGHT-HAND SIDE TO THE CHAIR.

4 CHAIRMAN KLEIN: CERTAINLY. FIRST OF ALL,
5 THE BOX THAT SAYS POLICY, WHEN THIS CHART WAS DISCUSSED
6 WITH ME, IN THE DISCUSSION, THEY ONLY HAD ONE WORD
7 EVIDENTLY THAT FIT WELL IN THIS BOX BECAUSE REALLY WHAT
8 THAT STAFF HAS IS THE BOARD SUPPORT. IT RUNS THE
9 PUBLIC HEARINGS. IT DEALS WITH THE OVERSIGHT COMMITTEE
10 THAT IS SET UP BY THE CONTROLLER AND WILL DO THE
11 REPORTS AND ANSWERS TO THAT OVERSIGHT COMMITTEE.

12 THE FINANCE COMMITTEE, WHICH THE CHAIR IS
13 CHARGED WITH DEALING WITH THE DICTATIONS OF THE FINANCE
14 COMMITTEE, WHICH IS THE DIRECTOR OF FINANCE, THE
15 TREASURER, THE CONTROLLER, AND GETTING THOSE -- THE
16 BONDS AND EXTERNAL FINANCE OF THE AGENCY PROCESSED, AS
17 WELL AS ASSISTING THE BOARD IN POLICY.

18 ALL POLICY IS MADE BY THE BOARD AS A WHOLE.
19 SO THIS IS REALLY STAFF OF THE BOARD AND FUNCTIONS OF
20 THE BOARD, NOT OF THE CHAIRMAN AS AN INDIVIDUAL. THE
21 BOARD HAS TREMENDOUS EXPERTISE, AND THE ATTEMPT IS TO
22 PROVIDE STAFF SUPPORT FOR THE BOARD IN THAT PROCESS AND
23 THE MATERIALS FOR THEM SO THEY CAN BE ACTIVE
24 PARTICIPANTS WITHOUT EXCESSIVE LOAD. IN FACT, I
25 BELIEVE WE'RE GOING TO HAVE TO GO OUTSIDE THE STAFF

1 INSTITUTE TO REIMBURSE SOME BOARD ADMINISTRATIVE
2 SUPPORT SO THE BOARD CAN BE VERY DEEPLY INVOLVED IN
3 SOME OF THE ADDITIONAL POLICIES AS WE GO DOWN THROUGH
4 THEM AS WELL.

5 YES, DR. PIZZO.

6 DR. PIZZO: LET ME JUST FOLLOW UP ON CLAIRE'S
7 POINT, AND ALSO MAYBE JUST SUGGEST THAT THIS CHART
8 REALLY BE REDONE, AND REDONE TO BREAK OFF THE PORTION
9 THAT ARE BOARD RELATED FROM THOSE THAT ARE CONSTITUENT
10 RELATED.

11 THE FUNCTIONS THAT YOU DESCRIBED ARE ALL
12 RELEVANT AND UNDERSTANDABLE, BUT THEY REALLY DO REPORT
13 TO -- HAVE RELATIONSHIP TO THE ICOC ACTIVITIES
14 PRIMARILY. I THINK IF YOU SEPARATED OUT THOSE
15 PORTIONS THAT ARE ICOC RELATED THAT ARE THE FUNCTION OF
16 THE CHAIR AND THOSE THAT ARE THE FUNCTION OF THE
17 INSTITUTE, WHICH IS WHAT RICHARD LAID OUT AND WHAT
18 CLAIRE IS SPEAKING TO, I THINK THAT WILL HELP
19 TREMENDOUSLY.

20 AND I AGREE THAT WE'RE STARTING THE SEARCH
21 NOW FOR THE PRESIDENT. THE PERSON WHO LOOKS AT THIS
22 JOB IS GOING TO WANT TO KNOW WHAT HER OR HIS
23 RESPONSIBILITIES AND THEIR MAIN INFLUENCE IS GOING TO
24 BE. NOW, THIS DOES, AS WE LOOK AT THIS, CONVEY
25 CONFUSION. I THINK WE SHOULD SEPARATE THAT.

1 DR. POMEROY: IF I MIGHT FOLLOW UP, I TOTALLY
2 AM IN AGREEMENT WITH YOUR SUGGESTION, PHIL, THAT THIS
3 NEEDS TO BE REDONE.

4 ONE WAY TO THINK ABOUT THIS IS OFTENTIMES THE
5 SUPPORT STAFF, WHO ARE VERY MUCH NEEDED BY THE CHAIR
6 AND BY THE ENTIRE BOARD, WE'RE VERY DEPENDENT ON THE
7 EXCELLENT STAFF THAT WE HAVE, OFTEN REPORT TO THE
8 PRESIDENT FOR HUMAN RESOURCE PURPOSES AND ARE ASSIGNED
9 TO THE BOARD FOR THEIR ACTIVITIES. THAT MIGHT BE A
10 MORE APPROPRIATE WAY TO SEE DIFFERENT THINGS ON AN
11 ORGANIZATION CHART.

12 DR. HALL: I THINK THAT'S A GOOD SUGGESTION
13 AND ONE WORTH CONSIDERING AND DISCUSSING. I THINK WE
14 WILL CONTINUE TO WORK ON THIS.

15 CHAIRMAN KLEIN: DR. BALTIMORE.

16 DR. BALTIMORE: IN RESPONSE TO THE QUESTION,
17 YOU SAID SOMETHING ABOUT THE FINANCIAL PEOPLE REPORTING
18 TO THE CHAIRMAN. THERE'S NO INDICATION IN THIS CHART
19 THAT THERE ARE FINANCIAL PEOPLE REPORTING TO THE
20 CHAIRMAN. IN FACT, THE CHIEF ADMINISTRATIVE OFFICER
21 AND CONTROLLER, ONCE THE LINES ARE GOTTEN STRAIGHT, ARE
22 SAID TO REPORT TO THE PRESIDENT. I DON'T UNDERSTAND
23 WHAT YOU'RE --

24 CHAIRMAN KLEIN: CERTAINLY. LET ME CLARIFY.
25 MY REFERENCE IS SPECIFICALLY TO THE FACT THAT THE

1 CHAIRMAN IS CHARGED WITH SITTING ON THE FINANCE
2 COMMITTEE OF THIS INSTITUTE WITH THE DIRECTOR OF
3 FINANCE, THE TREASURER, THE CONTROLLER, AND FOR
4 PROCESSING THE BOND APPROVALS NECESSARY TO FUND THE
5 INSTITUTION. SO THOSE PARTS ARE THE EXTERNAL FINANCE
6 FUNCTION.

7 DR. BALTIMORE: THESE ARE ALL STATE
8 OFFICIALS, RIGHT?

9 CHAIRMAN KLEIN: YES, THAT ARE ALL STATE
10 OFFICIALS. THAT PART OF THE FINANCE FUNCTION AS LAID
11 OUT IN THE INITIATIVE IS THE CHAIRMAN'S RESPONSIBILITY.

12 THE CONTROLLER IS THE CHIEF ADMINISTRATOR'S
13 OFFICE. WALTER BARNES, WHO'S ON LOAN FROM THE
14 CONTROLLER'S OFFICE, IS RUNNING THAT FUNCTION FOR US.
15 AND THE CONTROLLER ACTS FOR CONTROL OF THE ENTIRE
16 BUDGETARY OPERATION, ALL INTERNAL EXPENDITURES, ALL
17 INTERNAL CONTROLS. ALL INTERNAL CONTRACTS GO THROUGH
18 THE CONTROLLER.

19 I THINK THAT ZACH DID AN EXCELLENT JOB IN
20 TRYING TO DEVELOP THAT QUICKLY A CHART. AND CERTAINLY
21 HIS FUNCTION, WHICH IS TO DRAW OUT DIRECTION FROM THE
22 BOARD, AND I THINK, THE SIZE OF THE BOX
23 NOTWITHSTANDING, WE WILL PUT THE EXTRA DETAIL BACK IN
24 THERE TO MAKE IT VERY CLEAR. AND SECONDLY, BECAUSE I
25 THINK IT'S AN OUTSTANDING POINT, THAT WHATEVER OUR

1 DISCUSSIONS ARE HERE, THE EXTERNAL PUBLIC AND THE
2 PRESIDENT'S AND THE RECRUITING PROCESS AND OTHER
3 PARTIES NEED TO UNDERSTAND THIS DIVISION OF APPROACH.

4 I WOULD ASK -- I DIDN'T EXACTLY UNDERSTAND,
5 DR. POMEROY, YOUR POINT IN TERMS OF HUMAN RESOURCES,
6 FOR EXAMPLE, FOR PERSONNEL POLICIES AND OTHER ISSUES.
7 ALL OF THE PERSONNEL WILL BE SCREENED AND GO THROUGH
8 ISSUES OF SUBMISSIONS AND COVERAGE AND ISSUES DUE TO
9 THE RESOURCES; BUT FOR OPERATIONAL PURPOSES, THE BOARD
10 STAFF ACTUALLY WORKS WITH THE CHAIRMAN, AND I WASN'T
11 CLEAR IF THAT'S ACCEPTABLE TO YOU.

12 DR. POMEROY: LET ME JUST CLARIFY. MAYBE
13 I'VE WORKED IN BUREAUCRACIES FOR TOO LONG. BUT THE
14 PERSON THAT IS THE OFFICIAL SUPERVISOR ON AN ORG CHART
15 FILLS OUT THE EMPLOYEE'S EVALUATIONS AND DETERMINES
16 THEIR PROMOTIONS. AND AS INDICATED HERE, YOU WOULD BE
17 FILING OUT THE EVALUATIONS ON ALL THE EMPLOYEES LISTED
18 IN THE CHIEF LEGAL -- THOSE TEN PEOPLE. I'M NOT CLEAR
19 HOW THAT COULD HAPPEN IF YOU'RE NOT AN EMPLOYEE OF THE
20 INSTITUTE.

21 CHAIRMAN KLEIN: I ACTUALLY AM AN EMPLOYEE OF
22 THE INSTITUTE.

23 DR. POMEROY: ARE YOU PAID?

24 CHAIRMAN KLEIN: WELL, I'M NOT PAID. IT'S AN
25 INTERESTING JOB. THE INITIATIVE PROVIDES FOR ME TO BE

1 PAID. I HAVE TAKEN THE APPROACH THAT WE HAVE TO
2 HUSBAND OUR MONEY, AND MY FOCUS IS ON MAKING SURE WE
3 GET RESEARCH DONE AND OUR STAFF FUNCTIONS DONE, SO I
4 HAVE NOT ASKED FOR ANY COMPENSATION. BUT UNDER THE
5 INITIATIVE, I, IN FACT, AM AN EMPLOYEE OF THE
6 INSTITUTE.

7 DR. HALL: DR. POMEROY, THE CHAIR AND VICE
8 CHAIR ARE EMPLOYEES, BUT ARE NOT COUNTED AGAINST THE
9 50.

10 DR. POMEROY: I UNDERSTAND THAT. I GUESS --

11 CHAIRMAN KLEIN: WE ARE EMPLOYEES OF THE
12 BOARD AND ELECTED BY THE BOARD.

13 DR. POMEROY: TO WHOM DO YOU REPORT AS AN
14 EMPLOYEE?

15 CHAIRMAN KLEIN: TO THE BOARD. UNDER THE
16 INITIATIVE WE REPORT TO THE BOARD.

17 DR. BALTIMORE: TO CONTINUE THE DISCUSSION,
18 IT WOULD SEEM TO ME THAT IT WOULD BE APPROPRIATE FOR
19 ALL OF THE STAFF THAT REPORT TO THE CHAIR AND THE BOARD
20 TO BE HIRED AND MANAGED THROUGH THE PRESIDENT'S OFFICE
21 AND HIS STAFF AND THEN ASSIGNED TO YOU, BUT EVALUATED
22 AND GRADED, ETC., CONFLICT OF INTEREST ISSUES AND ALL
23 OF THAT BE DONE THROUGH THE INSTITUTE ITSELF AND THEN
24 ASSIGNED TO YOU AS CHAIR WORKING WITH THE BOARD RATHER
25 THAN SETTING UP WHAT WOULD BECOME ALMOST COMPETITIVE OR

1 PARALLEL EMPLOYEE OPERATIONS. I DON'T THINK IT WOULD
2 MAKE A LOT OF SENSE.

3 CHAIRMAN KLEIN: WE ACTUALLY ARE FOLLOWING
4 YOUR PROCEDURE IN THAT ALL THE ETHICS CONTROL AND
5 RESOURCES CONTROL, ALL OF THOSE ARE DONE THROUGH THE
6 PERSONNEL UNDER PRESIDENT, SO THERE IS NO PARALLEL
7 OPERATION. THESE PERSONNEL ARE ASSIGNED TO ME TO
8 FULFILL THE FUNCTIONS OF THE BOARD AND THEY'RE ASSIGNED
9 TO THE BOARD. SO WE ARE FOLLOWING THAT PROTOCOL.

10 DR. PIZZO.

11 DR. PIZZO: WE'RE STAYING ON THIS TOPIC
12 OBVIOUSLY BECAUSE THIS IS GOING TO SET THE AGENDA FOR
13 MANY, MANY YEARS TO COME. IT'S CLEAR THAT WHATEVER
14 ORGANIZATION IS PUT IN PLACE HAS TO TRANSCEND THE
15 INDIVIDUALS WHO ARE HERE. SO WE ALREADY KNOW THE
16 INDIVIDUAL WILL BE TRANSCENDED BY THE NEW PRESIDENTIAL
17 APPOINTEE, AND AT SOME POINT THAT COULD HAPPEN WITH THE
18 CURRENT CHAIR, BOB KLEIN, AS WELL.

19 SO I THINK GOVERNING THIS, IT REALLY ALLOWS
20 THE ORGANIZATION TO LOOK FORWARD TO THE PERSONALITY OF
21 PEOPLE IS KEY. I THINK THAT'S WHAT WE'RE SPEAKING TO.

22 WE ALL WORK FOR EITHER PUBLIC OR PRIVATE
23 ORGANIZATIONS. THEY DO HAVE BUREAUCRACIES, AND THEY DO
24 HAVE STRUCTURE WHICH MAKE SENSE, AND THERE NEEDS TO BE
25 A CLEAR SEPARATION BETWEEN STAFF; THAT IS, THE

1 ORGANIZATION AND THE BOARD WHICH HAS THE FIDUCIARY
2 OVERSIGHT FOR THE ORGANIZATION ITSELF. SO I THINK
3 MAKING THOSE THINGS CRYSTAL CLEAR NOW IS REALLY
4 IMPORTANT.

5 IN MOST SITUATIONS THE BOARD, IN THIS CASE
6 THE ICOC AND THE CHAIR, ARE ABOVE ON THE ORGANIZATION
7 CHART ITSELF, WHICH IS IN THIS CASE THE INSTITUTE. I
8 THINK THAT'S HOW THIS SHOULD BE RESTRUCTURED TO
9 DEMONSTRATE THAT.

10 WE ALL RECOGNIZE THAT, AS HAPPENS IN OUR OWN
11 BOARDS, WHETHER PUBLIC OR PRIVATE, PEOPLE ARE ASSIGNED
12 TO STAFF THE ORGANIZATION, BUT THEY ARE EVALUATED, THEY
13 MOVE THROUGH THE HR PROCESS OF THE ORGANIZATION, NOT
14 THE BOARD. SO I THINK YOU DO -- THERE IS WORK TO BE
15 DONE HERE, BUT IT'S GOOD WORK NOW BECAUSE, FRANKLY, IN
16 THE PUBLIC ARENA, JUST AS WE'RE TALKING ABOUT EDUCATING
17 THE PUBLIC ABOUT STEM CELLS, THERE HAS BEEN CONCERN
18 ABOUT THE RESPONSIBILITIES OF THE CHAIR VERSUS THE
19 PRESIDENT. AND THIS WILL CONFUSE THAT.

20 I THINK IT'S INCUMBENT ON US TO MAKE IT CLEAR
21 SO THAT, AS WE'RE NOW SETTING OUR AGENDA, IT'S APPARENT
22 TO ALL THAT THERE IS A SEPARATION OF POWER, THERE'S A
23 SEPARATION OF AUTHORITY, THERE'S A DELINEATION OF
24 RESPONSIBILITY, AND AN ORGANIZATION THAT WILL REALLY
25 FUNCTION AS WE ALL WANT IT TO GOING FORWARD.

1 CHAIRMAN KLEIN: I THINK THIS IS TREMENDOUS
2 DIRECTION, AND WE CAPTURE NOT JUST AN ORGANIZATIONAL
3 CHART, BUT SOME NARRATIVE THAT TRIES TO REALLY LAY THIS
4 OUT SO THERE'S A VERY CLEAR UNDERSTANDING BECAUSE I
5 BELIEVE -- JEFF SHEEHY I MISSED IN GOING TO THIS SIDE
6 OF THE AISLE.

7 JEFF SHEEHY.

8 MR. SHEEHY: I DON'T WANT TO STOP -- I WANT
9 TO GO TO A SEPARATE TOPIC. SO IF PEOPLE FEEL THAT THIS
10 PARTICULAR SUBJECT HAS BEEN --

11 CHAIRMAN KLEIN: DR. BALTIMORE.

12 DR. BALTIMORE: I THINK ONE OF THE PROBLEMS
13 IS THE ARROW THAT COMES DOWN FROM THE ICOC. IT DOESN'T
14 CAPTURE THE RELATIONSHIP OF THE ICOC TO THE
15 ORGANIZATION. THE PRESIDENT SHOULD BE SHOWN AS
16 REPORTING TO THE ICOC. THE PRESIDENT SERVES PRESUMABLY
17 AT THE PLEASURE OF THE BOARD. AND IF THE CHAIRMAN ALSO
18 SERVES AT THE PLEASURE OF THE BOARD -- I'M NOT SURE
19 ABOUT THAT -- BUT PROPOSITION 71 SEEMS TO HAVE WITHIN
20 IT ALL SORTS OF DIRECTIONS, THEN HE SHOULD BE SHOWN AS
21 REPORTING TO THE BOARD, ALTHOUGH THAT'S A STRANGE TYPE
22 OF ORG CHART BECAUSE HE'S A MEMBER OF THE BOARD AND
23 REALLY SHOULD BE SHOWN AS BEING ELECTED BY THE BOARD AS
24 ONE HIGHER THAN EVERYBODY SITTING AROUND THIS TABLE,
25 BUT NOT AS A SEPARATE ADMINISTRATIVE CONTROLLER OF

1 ASPECTS OF THE CIRM.

2 SO I THINK THE PROBLEM IS WE DON'T KNOW WHERE
3 TO PUT THE ICOC IN THIS CHART.

4 CHAIRMAN KLEIN: OKAY. THAT'S GREAT. I WILL
5 TELL YOU THAT I THINK OF MYSELF AS BEING A CO-EQUAL
6 PEER WITH YOU ON BOARD, NOT AS BEING ANY HIGHER THAN
7 ANYONE IN HERE BECAUSE I HAVE, IN FACT, A GREAT BREADTH
8 OF EXPERIENCE ON THIS BOARD, BOTH LIFE EXPERIENCE
9 THROUGH CHRONIC DISEASE AND THROUGH THE COMPANIES AND
10 THERAPY DEVELOPMENT AS WELL AS SCIENCE AND RESEARCH.
11 BUT, IN FACT, THE CHAIRMAN IS ELECTED FOR A SPECIFIC
12 TIME AND CAN BE RE-ELECTED OR NOT RE-ELECTED AT THE
13 BOARD'S DISCRETION. AND WE WILL ADDRESS THESE POINTS.
14 IT'S VERY HELPFUL, AND HOPEFULLY THE PUBLIC WILL SEE
15 THE PUBLIC'S BUSINESS IS DONE IN PUBLIC.

16 MS. SAMUELSON: I HAVE ONE MORE QUESTION
17 WHICH TIES THIS DISCUSSION TO THE HIRING ASPECTS OF
18 YOUR REPORT, WHICH IS THE EMPLOYEES, THE HIRES THAT YOU
19 DESCRIBE. ARE THEY NOW EMPLOYEES OF THE CIRM? AND
20 WHAT HAVE THEY BEEN TOLD ABOUT THE FACT THAT THEY'RE
21 HIRES BY THE INTERIM PRESIDENT, AND WE'RE AGGRESSIVELY
22 SEARCHING FOR A LONG-TERM ONE?

23 DR. HALL: WELL, AS WE FOUND OUT IN OUR
24 MEETING LAST MONTH, ALL EMPLOYEES OF CIRM THAT SERVE,
25 DO NOT HAVE GUARANTEED EMPLOYMENT.

1 CHAIRMAN KLEIN: ALL EMPLOYEES SERVE AT THE
2 PLEASURE OF THE STATE AND OF THE INSTITUTE.

3 DR. HALL: SO WE DO NOT HAVE GUARANTEED
4 EMPLOYMENT. WE EXPLAINED TO THEM THAT I AM THE INTERIM
5 PRESIDENT. THERE WILL BE A PRESIDENT COMING ON BOARD,
6 WE HOPE, BEFORE TOO LONG, AND THAT'S IN PROCESS, AND
7 THEY UNDERSTAND THAT.

8 MS. SAMUELSON: IT JUST SEEMS IMPORTANT TO ME
9 THAT THE GREAT CANDIDATE WE'RE LOOKING FOR WILL
10 UNDERSTAND THAT HE OR SHE HAS DISCRETION TO SHAPE THE
11 STAFF.

12 DR. HALL: ABSOLUTELY. WE WILL NOT FILL OUT
13 THE 50, BE ASSURED. ON THE OTHER HAND, IN ORDER TO
14 FOLLOW THIS AGGRESSIVE TIME LINE, WE HAVE TO HAVE HANDS
15 ON BOARD.

16 CHAIRMAN KLEIN: SPENCERSTUART IS BEING VERY
17 CLEAR IN THEIR INTERVIEWS AND EXPLAINED THAT. BUT
18 THERE'S A REPRESENTATIVE OF SPENCERSTUART HERE TODAY,
19 SO THEY'LL JUST CAPTURE ALL OF THIS. BUT WE'VE BEEN
20 THROUGH, IN FACT, A VERY DETAILED DISCUSSION WITH
21 SPENCERSTUART WITH ZACH AND I THAT CAPTURES REALLY THE
22 DISCUSSION THAT'S BEEN DISCUSSED HERE TODAY. SO WHILE
23 THE CHART DIDN'T CAPTURE IT AND FILL THIS OUT, THE
24 DIRECTION IS TREMENDOUS FOR SPENCERSTUART IN TERMS OF
25 THE INFORMATION THEY HAVE FOR TAKING IN THE CANDIDATE

1 SEARCH WAS AWARE BECAUSE THE DISCUSSION, I THINK, ZACH,
2 BETWEEN YOU AND I IS VERY SIMILAR TO THE DISCUSSION
3 THAT WENT ON HERE TODAY. IS THAT ACCURATE?

4 DR. HALL: I WASN'T SURE IF YOU WERE
5 CONCERNED ABOUT THE INCOMING PRESIDENT AND THE
6 RECRUITMENT OF THAT PERSON OR RECRUITMENT OF OTHER
7 PERSONNEL WHO MIGHT BE UNSURE WHO THE INCOMING
8 PRESIDENT WAS. BUT I THINK WE -- THE BIGGEST PROBLEM
9 FOR US RIGHT NOW IS ACTUALLY NOT THAT SO MUCH -- AS I
10 SAY, WE HAVE APPLICATIONS ALMOST POURING IN, BUT THE
11 BIGGEST UNCERTAINTY IS WHERE WE'RE GOING TO BE. THAT
12 HAS TO BE RESOLVED. THERE ARE A FEW PEOPLE WE CAN HIRE
13 EITHER IN SPECIAL SITUATIONS OR BECAUSE THEY'RE AT
14 POINTS IN THEIR CAREERS WHEN THEY'RE MOBILE, BUT THAT'S
15 A SMALL SUBSET, AND THAT'S OUR BIGGEST CONSTRAINT RIGHT
16 NOW.

17 CHAIRMAN KLEIN: ALL 50 EMPLOYEES, INCLUDING
18 THE PRESIDENT, SERVE AT THE PLEASURE OF THE BOARD.

19 MS. SAMUELSON: IT STRIKES ME AS JUST A
20 MATTER OF FAIRNESS TO THOSE HIRES PLUS THE PERCEPTIONS
21 OF THE CANDIDATES.

22 DR. HALL: THE ONE PERSON THAT WE HIRED, DR.
23 CHIU, WE DID HAVE A LOT OF DISCUSSION ABOUT THAT, AND
24 I'D BE HAPPY TO SHARE MY ADVICE AND SUGGESTION TO HER
25 ABOUT THOSE ISSUES IF YOU'D LIKE.

1 CHAIRMAN KLEIN: MR. LOVE.

2 DR. LOVE: TED LOVE. MR. CHAIRMAN, I JUST
3 WANTED TO MAKE SURE THAT WE TRY TO GET A CLEAR PROPOSAL
4 AND RECOMMENDATION TO YOU IN TERMS OF THE CHART. I
5 THINK ONE THING I WOULD SUGGEST IS TO TAKE THE ICOC OFF
6 OF THIS CHART AND HAVE THIS BE A CHART THAT REALLY
7 STARTS WITH THE PRESIDENT AND HIS STAFF. AND I THINK
8 WHAT PEOPLE HAVE BEEN SAYING IS THAT WHAT PROBABLY
9 WOULD MAKE THE MOST SENSE IS FOR YOU TO NOT HAVE ANY
10 EMPLOYEES, BUT RATHER ALL THE EMPLOYEES WOULD REPORT TO
11 THE PRESIDENT, AND THAT CERTAIN PEOPLE WITHIN THAT
12 ORGANIZATION HAVE AS A RESPONSIBILITY TO SUPPORT THIS
13 BOARD AND SUPPORT YOU IN THEIR DUTIES, BUT NOT REPORT
14 TO YOU.

15 I THINK THAT WOULD BE A MORE TYPICAL
16 ARRANGEMENT. IN MANY WAYS I THINK IT WOULD BE AN
17 ARRANGEMENT THAT WOULD BE BEST FOR YOU IN TERMS OF
18 CLARITY AND DIVISION AND NOT PUT US WHERE THERE ARE TWO
19 POPULATIONS OF PEOPLE IN THE CIRM, SOME REPORTING TO
20 THE CHAIRMAN AND SOME MOVING TOWARDS THE PRESIDENT.

21 CHAIRMAN KLEIN: DR. PIZZO.

22 DR. PIZZO: I'D LIKE TO MAKE A FRIENDLY
23 MODIFIER TO DR. LOVE. AND THAT IS I THINK IT'S OKAY TO
24 HAVE MORE THAN ONE CHART. I THINK IT'S CLEAR THAT THE
25 KIND OF CHART THAT YOU'RE DESCRIBING IS OF THE CIRM,

1 AND THAT COULD BE FREESTANDING. BUT THERE DOES NEED TO
2 BE IN THE ORGANIZATIONAL CHART, I BELIEVE, SOMETHING
3 THAT SHOWS THE RELATIONSHIP OF THE ICOC TO THE
4 INSTITUTE, AND CLEARLY DELINEATES THE ORDER, WHICH IS
5 THE WAY OTHER BOARD OF TRUSTEES ARE SHOWN IN
6 RELATIONSHIP TO THE ORGANIZATION THAT THEY HAVE
7 OVERSIGHT.

8 CHAIRMAN KLEIN: MY RESPONSE IS THAT TO
9 FULFILL MY FUNCTIONS, I BELIEVE I FEEL A NEED FOR A
10 SEPARATE CHART THAT SHOWS WHAT PERSONNEL I HAVE THAT I
11 CAN BE ABLE TO SET THEIR DAILY PRIORITIES SO I CAN
12 FULFILL WHETHER IT'S A FINANCE FUNCTION, OVERSIGHT
13 FUNCTION, AND I NEED ESSENTIALLY TO BE ABLE TO MANAGE
14 THEIR TIME AND THEIR ACTIVITIES TO KNOW THAT I CAN
15 FULFILL MY RESPONSIBILITIES.

16 I THINK THIS IS A VERY EFFECTIVE
17 CONVERSATION, BUT LET'S BRING THAT BACK AND WE'LL SEE
18 WHAT THE BOARD'S PLEASURE IS. THE BOARD'S PLEASURE IS
19 WHAT WE WILL DO. YES. DR. MURPHY.

20 DR. MURPHY: IN AN EFFORT TO BEAT THIS REALLY
21 TO DEATH, THE THING THAT STRIKES ME AS UNUSUAL IS THE
22 FACT THAT THE RELATIONSHIP BETWEEN THE PRESIDENT AND
23 THE CHAIRMAN AND THE ICOC IS STILL NOT CLEAR IN MY
24 MIND.

25 ARE WE RESTRICTED BY PROPOSITION 71 IN HAVING

1 THE CHAIRMAN REPORT TO THE BOARD AND THE PRESIDENT
2 REPORT TO THE CHAIRMAN, SO IT'S A MUCH STRAIGHTER LINE?
3 CAN WE NOT DO THAT?

4 CHAIRMAN KLEIN: WE CAN DO THAT. IT'S
5 WHATEVER THE BOARD DECIDES IS THE RIGHT APPROACH.

6 DR. MURPHY: IT WOULD SEEM TO ME TO BE MORE
7 EFFECTIVE FOR THE ICOC TO BE DEALING WITH THE CHAIRMAN
8 AND, OF COURSE, WITH THE PRESIDENT, BUT TO DEAL WITH
9 CO-EQUALS COULD BE A PROBLEM IF, IN FACT, THOSE TWO
10 CO-EQUALS ARE NOT GETTING ALONG AS WELL AS YOU TWO ARE
11 AS WE LOOK TOWARDS THE FUTURE OF THE INSTITUTE. I
12 THINK IT'S WISE AT LEAST TO CONSIDER THAT STRAIGHT-LINE
13 RELATIONSHIP AND STILL CARVE OUT OF THAT THE
14 RESPONSIBILITIES THAT THE CHAIRMAN MAY HAVE, BUT AT
15 LEAST THE CHAIRMAN WOULD BE RESPONSIBLE ULTIMATELY TO
16 THE PRESIDENT.

17 CHAIRMAN KLEIN: I THINK THAT EVEN WITH THAT
18 STRUCTURE, I THINK IT'S VERY IMPORTANT THE PRESIDENT
19 SHOULD GO THROUGH THE BOARD, SO THE PRESIDENT AND THE
20 BOARD HAVE A DIRECT RELATIONSHIP AND ABILITY FOR THE
21 BOARD TO GIVE DIRECTION FOR THE PRESIDENT AND HAVE HIS
22 QUESTIONS ASKED DIRECTLY.

23 DR. HALL: LET ME SAY SOMETHING. I WOULD
24 AGREE WITH BOB. I THINK THE PRESIDENT SHOULD REPORT TO
25 THE BOARD. THE CHAIR IS ON THE BOARD, AND IN THIS

1 SETTING ONE OF THE PEOPLE I REPORT TO, AMONG OTHERS,
2 IS THE CHAIR. I THINK THAT WHAT ONE WANTS TO HAVE IS
3 SOME SEPARATION THERE. THE CHAIR ALONG WITH ALL OF THE
4 MEMBERS OF THE ICOC THEN INSTRUCT ME IN MY JOB IN WHAT
5 TO DO. I THINK RATHER THAN HAVING ME REPORT TO THE
6 CHAIR, WHO THEN REPORTS TO THE ICOC, I THINK THAT'S
7 GOOD.

8 DR. MURPHY: I AGREE WITH THAT, ZACH. THIS
9 IS IN NO WAY TO CHANGE YOUR ACCESSIBILITY TO THE BOARD.
10 I'M JUST THINKING ABOUT REPORTING RELATIONSHIPS AND
11 WHAT MAKES THE CHART LOOK BETTER AND ALSO WHAT MAKES
12 THE FUNCTION WORK MORE SMOOTHLY.

13 CHAIRMAN KLEIN: IF WE CAN DO THIS, I THINK
14 WE'VE HAD SOME GREAT INPUT. WE HAVE SOME CRITICAL
15 ITEMS ON THIS AGENDA, BUT AT THE NEXT MEETING, IF WE
16 BRING THIS BACK SPECIFICALLY FOR THE BOARD AND AGENDIZE
17 IT FOR ADDITIONAL DISCUSSION, BUT AT LEAST WE CAN
18 INCREMENTALLY TRY AND ABSORB THE INFORMATION AND
19 IMPROVE IT.

20 DR. THAL: LEON THAL. VERY BRIEF. JUST DRAW
21 A DOTTED LINE FROM THE ICOC AND GOES DOWN AND SPLITS
22 THAT THE PRESIDENT AND THE CHAIR BOTH REPORT TO THE
23 ICOC. THIS IS A VERY ACTIVE BOARD. WE'RE CERTAINLY
24 MEETING A LOT. DIRECT WITH TWO REPORTS.

25 CHAIRMAN KLEIN: IF IT IS THE PLEASURE --

1 DAVID SERRANO-SEWELL.

2 MR. SERRANO-SEWELL: THANK YOU, CHAIRMAN
3 KLEIN. I KNOW MY COLLEAGUE, MR. SHEEHY, WANTED TO
4 RAISE SOME ISSUES THAT DON'T SPEAK TO THE ORGANIZATION
5 CHART. IT'S YOUR DIRECTION --

6 CHAIRMAN KLEIN: WELL, LET ME ASK. COULD WE
7 LEAVE THE ORGANIZATION CHART AT THIS MOMENT AND COME
8 BACK AND THEN GO TO MR. SHEEHY'S QUESTION?

9 MR. SHEEHY: JEFF SHEEHY. JUST A QUESTION ON
10 THE STRATEGIC PLANNING PROCESS. IS THE OBJECTIVE HERE
11 TO PRODUCE A STRATEGIC SCIENTIFIC PLAN THAT WILL THEN
12 COME TO US FOR APPROVAL THAT WILL SERVE AS THE
13 BLUEPRINT AND --

14 DR. HALL: YES. THE WAY THAT WOULD WORK IS
15 WE WOULD ATTEND THE CONFERENCE, WE WOULD LISTEN TO IT
16 AND PAY ATTENTION TO IT, AND THEN USE THAT AS INPUT FOR
17 STAFF, AND THEN TO FORMULATE A PLAN, WHICH WE WOULD
18 THEN BRING TO US.

19 MR. SHEEHY: IS THERE A TIME LINE? CAN THIS
20 BE KIND OF MESHED UP WITH THE GRANTS BECAUSE WE'VE GOT
21 ONE SET OF GRANTS THAT SEEMS LIKE THEY'LL ALREADY BEING
22 OUT THE DOOR BEFORE WE HAVE A STRATEGIC PLAN.

23 DR. HALL: LET ME ADDRESS THAT AT THE MAY
24 MEETING, IF I MAY, BECAUSE WE DO HAVE A PROBLEM OF
25 HAVING -- WE ARE ALWAYS TORN BETWEEN DOING THINGS IN

1 THE MOST RATIONAL WAY AND TRYING TO WITH A SENSE OF
2 URGENCY WITH HAVING THIS HAPPEN. SO I THINK WHAT OUR
3 INTENT WOULD BE IS TO TRY TO GET SOME OF THE GRANTS OUT
4 ABOUT WHICH THERE WOULD BE NO QUESTION IN TERMS OF
5 DEPENDENCE ON A PARTICULAR STRATEGIC PLAN.

6 LET ME JUST SAY THAT PART OF THE STRATEGIC
7 PLAN, IT'S NOT THAT WE'RE GOING TO DIRECT EVERYONE'S
8 RESEARCH, BUT IT MAY BE THAT THERE ARE CRITICAL
9 ELEMENTS IN THE PROCESS, WHETHER PRODUCTION FACILITIES,
10 WHETHER TECHNICAL INFRASTRUCTURE, OR PERHAPS EVEN SOME
11 INNOVATIVE GRANT DESIGN THAT WOULD HELP MOVE THE
12 PROCESS ALONG OR SPECIFIC AREAS THAT WE'D WANT TO CALL
13 FOR A PORTION OF OUR GRANTS IN THIS PARTICULAR AREA IN
14 ORDER TO MAKE THINGS HAPPEN MORE QUICKLY.

15 THESE WERE ALL -- NONE OF THESE WOULD BE THE
16 ONLY ELEMENT IN OUR PROGRAM. WE WOULD USE THAT TO
17 ADJUST AND MODIFY AND MAKE OUR PORTFOLIO MORE
18 SOPHISTICATED, BUT I THINK IT'S INCORRECT TO BELIEVE
19 THAT WE COULDN'T DO ANYTHING UNTIL WE HAD THE RESULTS
20 OF THAT MEETING.

21 BUT THERE ARE PEOPLE OUT THERE WHO ARE
22 ACTIVELY WORKING, AND INVESTIGATOR INITIATED GRANTS,
23 WE'RE NOT NECESSARILY TELLING ALL OF THEM WHAT THEY
24 SHOULD BE DOING. WE CAN GO AHEAD WITH THOSE PROGRAMS,
25 BUT I THINK WE WILL WANT TO HAVE AS PART OF OUR

1 PORTFOLIO PERHAPS SOME MORE DIRECTED EFFORTS AND
2 EFFORTS THAT WE UNDERTAKE, AND IT'S THOSE THAT WE
3 PARTICULARLY WANT TO LOOK TO.

4 MR. SHEEHY: YOU LOST ME.

5 DR. HALL: WE HAVE A LONG AND BUSY --

6 MR. SHEEHY: THAT'S FINE.

7 DR. HALL: WE'VE GOT A LOT TO DO TODAY. IF
8 WE DON'T GET DONE WHAT WE NEED TO DO TODAY, THEN WE
9 WILL DROP BEHIND ON OUR SCHEDULE.

10 MR. SHEEHY: I THINK THAT'S THE CHAIR'S
11 DIRECTION. THANK YOU.

12 CHAIRMAN KLEIN: DR. POMEROY.

13 DR. POMEROY: JUST TO FOLLOW UP ON THAT, I'M
14 A LITTLE CONFUSED ABOUT THE NEXT SLIDE FOR YOUR
15 PROPOSED SCHEDULE. IS YOUR CONCEPT THAT THE RFA FOR
16 THE TRAINING GRANTS WOULD GO OUT IN APRIL BEFORE THIS
17 BOARD HAS SEEN THE RFA?

18 DR. HALL: WHAT I WILL PRESENT LATER IS A
19 PROPOSAL FOR A TRAINING GRANT.

20 CHAIRMAN KLEIN: ON THIS AGENDA.

21 DR. HALL: ON TODAY?

22 CHAIRMAN KLEIN: THE BOARD IS GOING TO
23 CONSIDER ON THIS AGENDA HIS PROPOSAL.

24 DR. HALL: WE WILL GO THROUGH THE OUTLINES OF
25 HOW THAT MIGHT WORK AND ASK FOR YOUR AUTHORIZATION FOR

1 US TO WRITE AN RFA THAT IS WITHIN THE GUIDELINES THAT
2 YOU SUGGEST. WE WILL ASK FOR SOME ROOM TO MAKE
3 ADJUSTMENTS AS NEEDED, BUT TO HAVE YOU APPROVE THE
4 OVERALL OUTLINE FOR IT. THAT'S ON THE AGENDA TODAY.

5 DR. POMEROY: THANK YOU.

6 DR. HALL: WE NEED TO HAVE BOARD APPROVAL OF
7 THE SPECIFIC RFA, THEN THAT WILL INTRODUCE ANOTHER STEP
8 IN THE PROCESS AT ANOTHER MONTH.

9 CHAIRMAN KLEIN: ALL RIGHT, DR. HALL. WITH
10 THE COMPLETION OF THE PRESIDENT'S REPORT, IS THERE
11 PUBLIC COMMENT SPECIFICALLY ON THE PRESIDENT'S REPORT?
12 SEEING NO PUBLIC COMMENT ON THE PRESIDENT'S REPORT,
13 WE'LL MOVE TO THE NEXT AGENDA ITEM. AND, DR. HALL,
14 THIS IS YOUR ITEM.

15 DR. HALL: I'M SORRY. ARE WE MOVING ON?

16 CHAIRMAN KLEIN: YES. WE'VE MOVED ON TO THE
17 NEXT ITEM.

18 DR. HALL: EXCELLENT. ICOC IS --

19 CHAIRMAN KLEIN: YOU WANT TO PRESENT THE
20 ICOC, AND THEN YOU'RE GOING TO DO --

21 DR. HALL: I'LL DO THE OTHER ONE.

22 CHAIRMAN KLEIN: IF WE GO TO ITEM 9, THE
23 CONFLICT OF INTEREST POLICY FOR MEMBERS OF THE
24 INDEPENDENT CITIZENS OVERSIGHT COMMITTEE, AGAIN, WE'RE
25 TRYING TO MOVE FORWARD TO MAKE CLEAR WHAT OUR THOUGHTS

1 ARE ON CONFLICT POLICIES. WE'RE GOING TO HAVE
2 ADDITIONAL PUBLIC MEETINGS ON THIS TO REEXAMINE THIS,
3 TRY AND REFINE IT, IMPROVE IT, BUT THIS IS AN ATTEMPT
4 TO PUT AN EXCELLENT STANDARD OUT FRONT IMMEDIATELY.

5 IT HAS BEEN SUGGESTED TO THE CHAIR THAT IN
6 THE DEVELOPMENT WITH STAFF OF THIS DRAFT, THAT IN THE
7 FOOTNOTE THAT EXPLAINS DEANS OF MEDICAL SCHOOLS AND
8 EXECUTIVE OFFICERS OF RESEARCH INSTITUTIONS OVERSEE AND
9 ADVISE RESEARCHERS IN THEIR INSTITUTIONS AND SIGN OFF
10 ON ALL GRANTS AS PART OF THE BASIC DUTIES OF THEIR
11 POSITION.

12 IT DOES NOT COVER EXPLICITLY THE FACT THAT IN
13 ADDITION TO THE DEANS OF MEDICAL SCHOOLS AND CHIEF --
14 AND EXECUTIVE OFFICERS, THE CHAIRS OF UNIVERSITIES AND
15 OTHER ACADEMIC INSTITUTIONS ALSO PERFORM THAT FUNCTION.
16 SO THE CHAIR, IN PRESENTING THE ITEM, WOULD AMEND THAT
17 ITEM AS PRESENTED TO SPECIFICALLY SAY AFTER THE FIRST
18 FOUR WORDS DEANS OF MEDICAL SCHOOLS, CHAIRS OF
19 UNIVERSITIES, AND OTHER ACADEMIC INSTITUTIONS, AND
20 EXECUTIVE OFFICERS OF RESEARCH INSTITUTIONS.

21 DR. PIZZO: WHAT DOES CHAIR OF UNIVERSITY
22 MEAN?

23 CHAIRMAN KLEIN: THE CHAIRS OF UNIVERSITY
24 DEPARTMENTS.

25 DR. BRYANT: (INAUDIBLE.)

1 CHAIRMAN KLEIN: CHAIRS OF UNIVERSITY -- I'M
2 WORKING WITH LANGUAGE ON REAL TIME HERE. SO JUST IF I
3 CAN DO THEM SEQUENTIALLY, DR. PIZZO, IF WE SAY CHAIRS
4 OF UNIVERSITY DEPARTMENTS, IS THAT FUNCTIONALLY AN
5 IMPROVEMENT? OKAY. AND DR. BRYANT.

6 DR. BRYANT: I WOULD TAKE OUT MEDICAL AND
7 LEAVE IT DEANS, JUST DEANS. TAKE OUT MEDICAL SCHOOLS.

8 DR. PIZZO: IF YOU'RE GOING TO DO IT IN A.
9 WAY THAT'S MORE, I AGREE WITH THAT. BUT YOU MIGHT PUT
10 THE CHAIRS FOLLOWING THE EXECUTIVE OFFICERS OF THE
11 RESEARCH INSTITUTIONS IN THE ORDER OF RESPONSIBILITY
12 HERE.

13 CHAIRMAN KLEIN: SO IT WOULD BE DEANS,
14 EXECUTIVE OFFICERS OF RESEARCH INSTITUTIONS, AND CHAIRS
15 OF UNIVERSITY DEPARTMENTS AND OTHER ACADEMIC
16 INSTITUTIONS.

17 DR. LOVE: DOESN'T THIS ALWAYS REFER TO ICOC
18 MEMBERS?

19 CHAIRMAN KLEIN: THIS IS ONLY ICOC BOARD
20 MEMBERS.

21 DR. LOVE: WOULD IT BE POSSIBLE TO AVOID
22 HAVING TO DESCRIBE IT FOR THE RFP TO SIMPLY SAY ICOC
23 MEMBERS WHO DO THESE FUNCTIONS AS A PART OF THEIR
24 NORMAL POSITION ARE EXCLUDED? THAT WAY YOU CAN STOP
25 AND FIGURE OUT WHETHER THIS IS A DEAN OR A CHAIRMAN.

1 IF YOU SAY ICOC MEMBERS CAN DO THIS AS PART OF THEIR
2 DUTIES.

3 CHAIRMAN KLEIN: OKAY. DR. LOVE, THAT'S A
4 SUGGESTION. LET'S SEE WHAT WE DO HERE. DR. HENDERSON.

5 DR. HENDERSON: I WOULD JUST SAY MEMBERS OF
6 IOC OR IOC MEMBERS MAY OVERSEE AND ADVISE AND JUST
7 FORGET ALL THE DESCRIPTORS.

8 CHAIRMAN KLEIN: OKAY. IN TERMS OF PART OF
9 THE INTENT WAS TO BE CLEARLY APPARENT TO THE PUBLIC
10 WHAT THE RELATIONSHIP WAS. AND THE PUBLIC IS TRYING TO
11 UNDERSTAND WHY, AND IT'S IN THEIR FUNCTIONAL
12 RESPONSIBILITIES THAT THEY ARE REQUIRED TO --

13 DR. PIZZO: I THINK THAT'S VERY IMPORTANT. I
14 UNDERSTAND THE NEED FOR SIMPLICITY, BUT I THINK THE
15 PUBLIC NEEDS TO UNDERSTAND THAT THESE ARE
16 RESPONSIBILITIES WE HAVE TO DO.

17 CHAIRMAN KLEIN: DR. LOVE.

18 DR. LOVE: THAT'S PERFECT. I WAS JUST TRYING
19 TO SIMPLIFY IT.

20 DR. STEWARD: AS LONG AS WE'RE ADDING
21 DEFINITIONS HERE, I'LL JUST DO IT. PEOPLE OTHER THAN
22 DEPARTMENT CHAIRS ALSO AS PART OF THEIR
23 RESPONSIBILITIES IN AN ACADEMIC INSTITUTION ADVISE
24 THEIR COLLEAGUES. SO I'M NOT SURE THAT THAT REALLY
25 TOTALLY CAPTURES THE ENTIRE NEED HERE. AS A DIRECTOR

1 OF A RESEARCH CENTER, THAT'S MY RESPONSIBILITY. SO IF
2 YOU WANT TO ADD YET ANOTHER DESCRIPTOR OR SET OF
3 DESCRIPTORS --

4 CHAIRMAN KLEIN: THE THOUGHT WAS THE DIRECTOR
5 OF A RESEARCH CENTER WOULD BE AN EXECUTIVE OFFICER.

6 DR. STEWARD: WELL, IF WE WANT TO MAKE IT
7 VERY CLEAR, THEN I THINK YOU PROBABLY -- EXECUTIVE
8 OFFICER DOESN'T QUITE CAPTURE IT.

9 CHAIRMAN KLEIN: FINE. WE WILL.

10 DR. STEWARD: I'M NOT SURE WHAT --

11 CHAIRMAN KLEIN: THE VALUE HERE IS THAT THE
12 PUBLIC UNDERSTANDS THE RELATIONSHIP BETWEEN THESE
13 POSITIONS AND THE RESPONSIBILITIES, SO I THINK IT'S
14 APPROPRIATE. AND YOU ALSO SAID AND OTHER ACADEMIC
15 INSTITUTIONS, SO WE ARE TRYING TO HAVE SOME BREADTH
16 THERE. WITH THAT POINT TAKEN, YES, DR. HOLMES.

17 DR. HOLMES: HOW ABOUT THE ATTORNEY AND
18 SIMILAR SUCH POSITIONS SO THAT YOU HAVE A BROADER
19 ATTACHMENT THAT GOES WITH IT, THEN OZZIE OR SOME
20 OTHER'S TITLE DOESN'T FIT. THERE MUST BE SOME GOOD
21 LEGALESE YOU CAN PUT THERE.

22 DR. PIZZO: SOMETHING LIKE SENIOR ACADEMIC
23 OFFICER, INCLUDING CHAIRS AND DEANS AND EXECUTIVES.

24 DR. BALTIMORE: REVERSE STILL IS THE
25 IMPLICATION, PHIL, MEDICAL SCHOOLS ARE THE ONLY KIND OF

1 SCHOOLS --

2 DR. PIZZO: BUT IF YOU USE SENIOR ACADEMIC.
3 OFFICERS, THAT, I THINK, COULD GIVE YOU ALL THAT YOU
4 WANT. YOU COULD ALWAYS HAVE SENIOR ACADEMIC OFFICER
5 PARENS.

6 CHAIRMAN KLEIN: WHY DON'T WE USE SENIOR
7 ACADEMIC OFFICERS AND THEN SAY, PAREN, FOR EXAMPLE.

8 DR. PIZZO: RIGHT. THAT WAY WE'RE COVERED.
9 IT'S REALLY EXCITING TO DO THIS WORDSMITHING.

10 CHAIRMAN KLEIN: ALL RIGHT.

11 MS. SAMUELSON: MAY I JUST SUGGEST THAT YOU
12 CIRCULATE THE LANGUAGE BEFORE THE NEXT MEETING.

13 DR. HALL: LET'S DO IT THIS MEETING.

14 CHAIRMAN KLEIN: I THINK DR. HALL'S POSITION
15 IS IMPORTANT TO EXPLAIN, THAT IF WE PASS IT AND WE'LL
16 REVISIT IT FOR THE NEXT MEETING IF IT NEEDS ANY
17 CLARIFICATION, THEN THE PUBLIC WILL SEE WE ARE TRYING
18 TO GET STANDARDS OUT THERE THAT ARE UNDERSTANDABLE, AND
19 THEY CAN UNDERSTAND AND PREDICT THE PATH, WHICH IS A
20 VERY HIGH STANDARD OF THE CONFLICT OF INTEREST POLICY.

21 DR. HENDERSON: I'LL MAKE A MOTION WITH THAT
22 MODIFICATION FOR APPROVAL OF THIS CONFLICT OF INTEREST
23 POLICY.

24 CHAIRMAN KLEIN: OKAY. I WILL TAKE A SECOND,
25 AND THEN I WILL ASK DR. PRIETO FOR COMMENT FOR BOARD

1 COMMENTS. IS THAT ACCEPTABLE, THAT WE HAVE A FIRST AND
2 SECOND OF THE MOTION BEFORE DR. PRIETO?

3 DR. PRIETO: I'D LIKE A CLARIFICATION OR A
4 RESTATEMENT OF THE SENTENCE AS IT WILL READ. I THINK
5 WORDS ARE IMPORTANT, AND WE DO NEED TO BE CLEAR ABOUT
6 THIS, PARTICULARLY BECAUSE OF THE PUBLIC PERCEPTION AS
7 THE CHAIR STATED. IT'S IMPORTANT THAT WE MAKE IT CLEAR
8 THAT IT IS ONLY BECAUSE OF THE REGULAR RESPONSIBILITIES
9 OF THESE PEOPLE THAT THEY ARE IN CERTAIN POSITIONS, BUT
10 THAT WE'RE STILL DRAWING CLEAR LINES OF CONFLICT OF
11 INTEREST.

12 CHAIRMAN KLEIN: YES. IN ORDER TO RESPOND TO
13 YOU, MAY I SUGGEST THE FOLLOWING LANGUAGE WITH
14 DIRECTION FROM COUNSEL? SENIOR ACADEMIC OFFICERS,
15 PAREN, FOR EXAMPLE, PRESIDENTS OF INSTITUTIONS, DEANS,
16 CHAIRS OF UNIVERSITY DEPARTMENTS, AND OTHER ACADEMIC
17 INSTITUTIONS, AND EXECUTIVE OFFICERS OF RESEARCH
18 INSTITUTIONS AND SIMILAR POSITIONS, CLOSE PAREN,
19 OVERSEE AND ADVISE RESEARCHERS IN THEIR INSTITUTIONS
20 AND SIGN OFF ON ALL GRANTS AS PART OF THE BASIC DUTIES
21 OF THEIR POSITION, AND THE FOLLOWING WOULD STAY IN
22 PLACE.

23 DR. STEWARD: AS A MEMBER OF AN ACADEMIC
24 INSTITUTION, IF ANY FACULTY MEMBER IS EXPECTED TO BE A
25 COLLEAGUE, WE ARE EXPECTED TO HELP OUR YOUNGER

1 COLLEAGUES IN TERMS OF ADVICE IN THEIR RESEARCH, IN
2 TERMS OF THEIR GRANT WRITING, NO MATTER WHETHER THE
3 (INAUDIBLE). A CLEANER, ACCURATE AND, I THINK,
4 APPROPRIATE WAY TO SAY THIS IS A MEMBER OF AN ACADEMIC
5 INSTITUTION, WHO AS PART OF THEIR RESPONSIBILITIES,
6 THEN COMPLETE WITH AS ONE OF THEIR ACADEMIC
7 RESPONSIBILITIES OVERSEES AND ADVISES RESEARCHERS AND
8 COLLEAGUES. IT'S REALLY OUR JOB.

9 CHAIRMAN KLEIN: FOR THE PUBLIC'S
10 UNDERSTANDING, WOULD IT BE ACCEPTABLE IN THE
11 PARENTHETICAL TO SAY, FOR EXAMPLE, INCLUDING BUT NOT
12 LIMITED TO THE FOLLOWING?

13 ALL RIGHT. SO THE CHAIR TAKES THAT AS A
14 FRIENDLY AMENDMENT TO THE MOTION. THE MOTION THEN IS
15 ON THE FLOOR WITH THE FIRST AND SECOND. AND DR.
16 PRIETO, DID YOU GET A CHANCE TO FINISH YOUR COMMENTS?

17 DR. PRIETO: YES, FOR NOW.

18 CHAIRMAN KLEIN: ANY OTHER BOARD COMMENT?
19 YES, DR. POMEROY.

20 DR. POMEROY: THIS IS A CONVERSATION THAT.
21 I THINK WE STARTED AT THE LAST BOARD MEETING. IT'S A
22 VERY TRICKY ONE, BUT I JUST WANT TO GO TO NO. 1 ON THIS
23 LIST. AND THE IMPLICATION OF THIS IS THAT BEING A
24 PRINCIPAL INVESTIGATOR IS PRECLUDED, BUT BEING AN
25 INVESTIGATOR OR RECIPIENT OF FUNDS IN SOME OTHER ROLE

1 IS NOT PRECLUDED.

2 CHAIRMAN KLEIN: IF I COULD RESPOND TO THAT
3 AND FINISH IT BECAUSE DR. HALL HAS LOOKED AT THOSE
4 POINTS BECAUSE THERE ARE OTHER POSITIONS -- THERE ARE
5 POINTS 2, 3, 4, AND 5 WHICH HOPEFULLY ADDRESS THAT
6 ISSUE. DR. HALL.

7 DR. HALL: YES. I THINK THERE'S SOME OVERLAP
8 HERE. I GUESS WHAT YOU ARE SAYING IS A PERSON NOT
9 PAID? WHAT'S THE HYPOTHETICAL?

10 DR. POMEROY: A PAID CO-INVESTIGATOR. WHEN I
11 WAS TRYING TO THINK THROUGH HOW WE MIGHT EXPRESS THIS,
12 IT SEEMS TO ME, FROM MY OWN PERSONAL OPINION, THAT NO
13 ICOC MEMBER SHOULD BE LISTED AS A KEY PERSONNEL ON ANY
14 GRANT FOR WHICH FUNDS ARE RECEIVED BECAUSE I THINK THE
15 PROBLEM COMES WHEN YOU AUTHOR A PAPER UPON WHICH YOU
16 HAVE TO SAY SUPPORT RECEIVED FROM PROPOSITION 71. AND
17 I THINK THAT PROBABLY AUTHORSHIP IS LINKED TO BEING A
18 KEY PERSONNEL ON THE GRANT, SO THAT'S HOW I GOT THERE
19 IN MY MIND.

20 THIS CAME UP VERY SPECIFICALLY LAST TIME WHEN
21 PEOPLE WERE SAYING, WELL, OKAY. IF I CAN'T BE PI,
22 MAYBE I CAN JUST GET AROUND THIS BY PUTTING MY JUNIOR
23 COLLEAGUE UP AS PI AND I'LL JUST BE THE
24 CO-INVESTIGATOR. THEN MY LIFE WILL STILL GET FUNDS
25 FOR THIS.

1 DR. HALL: LET ME SAY I THINK WE HAVE TO BE
2 VERY CAREFUL ABOUT THIS BECAUSE AS MEMBERS OF A COMMON
3 SCIENTIFIC CULTURE, WE UNDERSTAND HOW THINGS ARE DONE.
4 I THINK THE PUBLIC DOES NOT SHARE THAT UNDERSTANDING,
5 AND I THINK WE NEED FOR THESE ISSUES TO BE EXAMINED
6 VERY CAREFULLY. AND MY OWN VIEW IS THAT IF THERE IS
7 ANY MINOR HARDSHIP IN THE OVERALL PICTURE ON INDIVIDUAL
8 MEMBERS OF THE COMMITTEE, THAT HAS TO BE SACRIFICED IN
9 ORDER TO MAKE POLICY THAT THE PUBLIC HAS CONFIDENCE IN
10 AND UNDERSTANDS AND DOES NOT LEAVE US OPEN TO
11 QUESTIONS. I THINK WE JUST HAVE TO ACCEPT THAT. THAT
12 IS MY VIEW.

13 NOW, I'M NOT SAYING WHAT I THINK THAT IS, BUT
14 I THINK TO HAVE ANYONE ON THIS COMMITTEE, WHICH IS IN
15 THIS VERY POWERFUL POSITION, MUCH MORE POWERFUL THAN AN
16 ADVISORY COUNCIL FOR NIH, VERY POWERFUL POSITION, TO
17 HAVE THOSE PEOPLE MATERIALLY ASSISTING IN PREPARATION
18 OF A GRANT, I THINK IS NOT APPROPRIATE. MY OWN VIEW.
19 AND I THINK EVEN ASSOCIATION WITH A GRANT, WE HAVE TO
20 BE VERY CAREFUL ABOUT WHAT IT IS AND STATE IT IN SUCH A
21 WAY THAT THERE IS NO DOUBT THAT WE ARE NOT HERE TO
22 PROVIDE GRANT FUNDS FOR OUR OWN PURPOSES AND USES
23 BECAUSE THAT IS THE QUESTION IN THE MIND OF THE PUBLIC,
24 AND I THINK WE JUST HAVE TO BE VERY CAREFUL.

25 DR. POMEROY: IF I MIGHT RESPOND TO DR. HALL,

1 SINCE HE WAS ADDRESSING ME.

2 DR. HALL: DR. POMEROY.

3 DR. POMEROY: THANK YOU. I JUST WANT TO
4 REINFORCE WHAT YOU'RE SAYING, AND I THINK YOUR POINTS
5 WERE VERY WELL MADE AND VERY IMPORTANT ABOUT THE
6 PERCEPTIONS HERE. I JUST WANT TO MAKE SURE WE MATCH UP
7 THE LANGUAGE TO REFLECT EXACTLY WHAT YOU JUST SAID.
8 THANK YOU.

9 DR. BRYANT: I'M JUST WONDERING WHY WE'RE
10 TAKING THIS POSITION AS OPPOSED TO THE NIH POSITION
11 WHERE YOU SIT ON COUNCIL FOR AN NIH GRANT OR BEING ON
12 AN ADVISORY COMMITTEE WHERE IT'S A RECUSAL POLICY. I
13 THINK IT'S PUNITIVE FOR SOME OF THE PEOPLE ON THIS
14 BOARD TO HAVE THAT. OBVIOUSLY NO CONNECTION TO THE
15 FUNDING DECISION CAN BE MADE, BUT I THINK IT'S WORKED
16 VERY WELL AT NIH TO DO IT THAT WAY.

17 DR. HALL: I THINK IT'S A SMALLER COMMUNITY
18 HERE IS PART OF IT. AND I THINK WE ARE FACING EVERY
19 DAY STRUGGLING WITH THE PERCEPTION OF THE EXTERNAL
20 COMMUNITY HERE ABOUT HOW WE OPERATE. AND WE'LL SEE
21 THAT, I THINK, ON ISSUES THAT ARE MUCH MORE IMPORTANT
22 THAT ARE COMING UP. SO I JUST WOULD URGE US TO BE, IF
23 ANYTHING, TO ERR ON THE SIDE OF BEING CAREFUL BECAUSE I
24 THINK THE HARDSHIP TO INDIVIDUAL COUNCIL MEMBERS, I
25 THINK, IN TERMS OF BEING INVOLVED WITH SPECIFIC GRANTS,

1 IS A RELATIVELY SMALL PRICE TO PAY AT THIS POINT FOR
2 THE PERCEPTION THAT WE ARE NOT HERE TO FUND GRANTS THAT
3 WE HAVE A PERSONAL STAKE IN AND COULD PROFIT FROM
4 EITHER PROFESSIONALLY OR FINANCIALLY. THAT'S JUST MY
5 VIEW, AND IT'S THE COUNCIL WHO WILL DECIDE.

6 CHAIRMAN KLEIN: LET'S GET SOME MORE VIEWS ON
7 THE TABLE. DR. LEVEY, THEN DR. BLACK.

8 DR. LEVEY: I AGREE WITH ZACH. I THINK WE
9 ALL KNEW WHEN WE GOT INTO THIS THAT THIS WAS GOING TO
10 BE DIFFERENT BECAUSE THE STATE WENT OUT ON A LIMB, GAVE
11 US \$3 BILLION TO DO WHAT IS A VERY POLITICALLY CHARGED.
12 ISSUE. FOR ALL OF US WHO WORK IN STATE ORGANIZATIONS,
13 MANY OF US DO HERE, WE KNOW THAT CALIFORNIA HAS VERY
14 STRICT RULES ABOUT WHAT STATE OFFICIALS CAN DO, AND
15 THAT THE POLITICAL REFORM ACT THAT WE ALL READ ON-LINE,
16 WE UNDERSTAND JUST HOW COMPLICATED IT IS. AND THOSE
17 WHO HAVE INTERACTED WITH IT, WE ALL HAVE -- ARE VERY
18 CONCERNED ABOUT WHAT WE DO. I THINK IT NEEDS A SIMPLE
19 STATEMENT, KEEP US OUT OF THE PROCESS, PERIOD.

20 THERE ISN'T ANY ONE OF US WHO DOESN'T HAVE
21 ONE OR TWO LEVELS OF PEOPLE WHO TAKE CARE OF GRANTS FOR
22 US AND EVERYTHING ELSE. WHY MAKE IT MORE COMPLICATED
23 TALKING ABOUT IT? A SIMPLE LEGAL STATEMENT THAT SAYS
24 YOU WANT TO SIT ON THIS BOARD, YOU'RE OUT OF THIS
25 PROCESS, PERIOD. I THINK THAT'S THE INTENT OF WHAT BOB

1 HAS BEEN TRYING TO DO HERE AND ZACH IS TRYING TO DO.
2 CORRECT ME IF I'M WRONG, BUT...

3 CHAIRMAN KLEIN: I THINK THAT THAT'S QUITE
4 CORRECT. WE'RE TRYING TO DO IT CAREFULLY SO THAT IT'S.
5 NOT MISTAKEN THAT IN THE NORMAL FUNCTION OF DUTIES OF
6 AN OFFICER LIKE A MEDICAL SCHOOL DEAN THAT THEIR NORMAL
7 SIGN-OFFS OR APPROVALS OR, IN FACT, THEIR ALLOCATION OF
8 LAB SPACE OR EQUIPMENT. WE WANT THE DEANS AND
9 EXECUTIVE OFFICERS AND THE DIRECTORS OF RESEARCH
10 INSTITUTIONS TO BE ABLE TO ALLOCATE LAB SPACE AND
11 EQUIPMENT AND HELP STEM CELL RESEARCH IN THEIR
12 INSTITUTIONS. THAT IS CLEARLY NOT A MATERIAL
13 PARTICIPATION IN A GRANT. IT'S PART OF THEIR FUNCTION
14 IN THEIR OFFICES. SO WE DON'T WANT TO CONFUSE THOSE,
15 AND WE WANT TO BE CAREFUL ABOUT HOW WE EXPRESS THIS.
16 BUT THAT IS THE ROLE AND CLEAR PUBLIC PERCEPTION AND A
17 VERY CLEAN POSITION FOR THE BOARD.

18 THANK YOU, DR. BLACK. GOING DOWN THIS SIDE
19 AND THEN BACK TO THE OTHER. DR. PIZZO.

20 DR. PIZZO: I THINK THE SENTIMENTS HAVE
21 ALREADY BEEN RENDERED. THIS IS A VERY SERIOUS ISSUE,
22 AND I UNDERSTAND BOTH SIDES OF THE CONCERN. I ALSO
23 AGREE WITH ZACH, THAT THE KIND OF SCRUTINY THAT'S
24 ALREADY BEEN RENDERED IS SUCH THAT I THINK WE JUST HAVE
25 TO FIND A WAY TO TAKE A DIFFERENT PATH.

1 WE'RE GOING TO FACE THIS ISSUE AND HAVE
2 DISCUSSION ABOUT THIS AT SOME POINT WITH REGARD TO THE
3 PRESIDENT AS WELL IN TERMS OF RESPONSIBILITY FOR
4 RESEARCH. THIS AN ISSUE THAT'S GOING TO HAVE A
5 CONTINUING BATTLE. I THINK FOR THE SAKE OF WHAT WE'RE
6 TRYING TO ACHIEVE, WHICH IS A HISTORIC MOMENT IN
7 SCIENCE AND CALIFORNIA AND WORLDWIDE, WE JUST NEED TO
8 TAKE THAT EXTRA HIGHER STEP IN ORDER TO MAKE THIS
9 DIFFERENTIATION CLEAR.

10 CHAIRMAN KLEIN: DR. PRECIADO.

11 DR. PRECIADO: I ALSO REALLY APPRECIATE WHAT.
12 YOU SAID, DR. HALL, AND HOPE THAT IT WILL BE PUT IN
13 THE -- THE LANGUAGE WILL BE INSERTED. BUT WHAT I WANT
14 TO REALLY SAY -- I'M NOT A DEAN OR ANYTHING LIKE THAT,
15 AND I THINK THAT ALL OF US ON THE BOARD HAVE A LEVEL OF
16 KNOWLEDGE OF WHAT'S GOING ON, A LEVEL OF BEING ABLE TO
17 PARTICIPATE IN A WAY THAT THE COMMUNITY CAN'T. WE MAY
18 NOT BE ABLE TO HAVE -- APPLY FOR THESE GRANTS, ET
19 CETERA, BUT WE KNOW WHAT'S GOING ON, AND WE ARE TAKING
20 IT BACK TO OUR INSTITUTIONS, AND WE ARE REPORTING THAT
21 TO OUR INSTITUTIONS. THERE IS A BENEFIT ALREADY.

22 I THINK YOUR COMMENTS, THERE'S A POSITION OF
23 POWER THAT WE HAVE HERE THAT IS -- NEEDS TO BE
24 ACKNOWLEDGED AND RECOGNIZED. AND WE HAVE TO REMAIN
25 ABOVEBOARD BECAUSE WE ARE BEING LOOKED UPON AS HAVING

1 OUR OWN BEST INTERESTS.

2 CHAIRMAN KLEIN: DR. PRECIADO, I KNOW THAT
3 YOU'RE GIVING SPEECHES AND PRESENTATIONS AT THE NEW
4 UNIVERSITY AT MERCED AND MANY OTHER INSTITUTIONS TO TRY
5 TO SPREAD THIS INFORMATION AND, IN FACT, SUPPORT THE
6 RESEARCH, WHICH WE ALL ARE TRYING TO DO IN OUR
7 FUNCTIONS AND COMMITMENT TO THIS AREA, AND THAT'S VERY
8 IMPORTANT.

9 YES, DR. PRIETO, AND THEN I'M GOING TO GO TO
10 DR. FRIEDMAN AND OZZIE STEWARD AND DR. HOLMES, THEN --
11 IT'S DR. STEWARD, I KNOW. IF I EVER MISS THE DOCTOR
12 BEFORE IT, I WISH TO BE RESPECTFUL. I'M JUST AT THAT
13 POINT TRYING TO MOVE TOO QUICKLY.

14 DR. PRIETO: I'LL BE BRIEF. I WANT TO
15 STRONGLY ENDORSE WHAT DR. HALL HAS SAID, WHAT DR.
16 POMEROY HAS SAID, AND WHAT DR. PRECIADO JUST SAID.
17 WE ARE ALL DERIVING A BENEFIT FROM BEING HERE IN A
18 POSITION OF SOME INFLUENCE, AND WE'RE ALSO MAKING
19 SACRIFICES TO SERVE ON THIS BOARD. I THINK IT'S VERY
20 IMPORTANT THAT WE DRAW VERY CLEAR LINES TO MAKE IT
21 EVIDENT TO PEOPLE WHO ARE NOT FAMILIAR WITH THE PROCESS
22 THAT WE ARE IN NO WAY GOING TO PERSONALLY BENEFIT FROM
23 THE FUNDS THAT WE'RE DISBURSING HERE. IT'S PART OF THE
24 SACRIFICE THAT WE'RE MAKING. THANK YOU.

25 CHAIRMAN KLEIN: DR. FRIEDMAN.

1 DR. FRIEDMAN: I TOO NEED TO VOICE MY SUPPORT
2 FOR THIS. WHILE I'M NOT ACTIVELY ENGAGED IN RESEARCH
3 THAT WILL BE AFFECTED BY THIS MYSELF PERSONALLY AT THIS
4 TIME, IT IS NOT A SACRIFICE ME. IT IS A SACRIFICE OR
5 WOULD BE A SACRIFICE FOR OTHERS WHO SERVE ON THIS
6 COMMITTEE, AND I THINK IT'S IMPORTANT FOR US TO
7 UNDERLINE THAT AND TO SAY THAT MY BELIEF IS THAT THE
8 ACTUAL CONFLICT OF INTEREST WOULD BE VERY SMALL OR
9 NONEXISTENT. I BELIEVE WHAT WE'RE TRYING TO DO IS TO
10 GUARD AGAINST AN OVERPERCEPTION OF CONFLICT OF
11 INTEREST, AND THAT'S WHERE I SUPPORT THIS VIEW THAT WE
12 TAKE A CLEAN STAND ON.

13 WE CAN NEVER COMPLETELY RESOLVE THE
14 PERCEPTION OF A KIND OF CONFLICT OF INTEREST. I THINK
15 THIS IS AN IMPORTANT STEP. AND ALTHOUGH I AM -- IT
16 CAUSES ME SOME SADNESS BECAUSE THERE ARE TALENTED
17 INVESTIGATORS WHO ARE ON THIS COMMITTEE WHO WOULD BE
18 AFFECTED. I DO THINK THIS IS THE RIGHT THING TO DO.
19 THANK YOU.

20 CHAIRMAN KLEIN: YES. DR. STEWARD.

21 DR. STEWARD: FULL DISCLOSURE. I'M
22 CERTAINLY.
23 ONE OF THOSE THAT WOULD BE AFFECTED. HAVING SAID THAT,
24 I TOTALLY SUPPORT THE RULE HERE FOR NOT ALLOWING A
25 MEMBER OF THE ICOC TO BE A PI ON A GRANT. I ALSO

1 SUPPORT THE NOTION OF NOT ALLOWING A MEMBER OF THE ICOC
2 TO BE LISTED AS ONE OF THE PARTICIPANTS ON A GRANT IF
3 THAT WERE, IN FACT, TO BE THE DERIVATION OF SALARY
4 SUPPORT, IF THAT'S THE CASE. FOR THOSE OF YOU WHO
5 DON'T KNOW, THAT'S THE WAY YOU DO GRANTS.

6 WHERE I HAVE TROUBLE FOR MYSELF IS THAT I
7 STILL AM AN ACTIVE RESEARCHER AND, IN FACT, I DO
8 COLLABORATE WITH MY YOUNG COLLEAGUES. IN FACT, WHAT I
9 WOULD HOPE IS THAT WHATEVER RULE WE APPLY WOULD NOT
10 EXCLUDE THEM FROM PARTICIPATING IN THE SCIENCE THAT WE
11 DO. IT REALLY COMES DOWN TO AUTHORSHIP ON PAPERS, FOR
12 EXAMPLE. IF YOU ARE GOING TO PARTICIPATE AT ALL, THEN
13 IT'S APPROPRIATE AND, IN FACT, A NECESSARY THING TO
14 INCLUDED AS AN AUTHOR ON A PAPER. IT'S EXPECTED. SO
15 THIS IS WHERE I HAVE A LITTLE BIT OF PROBLEM.

16 AND I'M JUST THROWING THAT OUT HERE TO SEE IF
17 THERE IS SOME WAY THAT THIS DOCUMENT CAN BE MODIFIED SO
18 THAT, IN FACT, IT DOESN'T EXCLUDE THOSE OF US WHO ARE
19 ACTIVE AND WORK IN SCIENCE. IT'S ME RIGHT NOW, BUT I
20 THINK THERE ARE MANY OTHERS SITTING AROUND THE TABLE
21 WHO COULD BE AFFECTED DOWN THE ROAD AS WE ACTUALLY MOVE
22 INTO THE CLINICAL APPLICATIONS OF THE SCIENCE.

23 THAT'S THE MAIN POINT FOR NOW. I'D LIKE TO
24 RAISE ANOTHER POINT LATER ON.

25 CHAIRMAN KLEIN: DR. FONTANA.

1 DR. FONTANA: I'D LIKE TO PRESENT MYSELF AS A
2 SPOKESPERSON FOR THE BURNHAM AND ON BEHALF OF JOHN
3 REED, WHO WOULD BE ONE OF THESE PEOPLE AFFECTED. AND
4 PART OF THE SPIRIT OF WHAT THIS BILL IS CREATING IS.
5 COLLABORATION AND INTEGRATION IN THIS PROGRAM. AND THE
6 BURNHAM DOES THAT REALLY WELL. ALTHOUGH THEY HAVE
7 PROBABLY THE STATE'S LARGEST STEM CELL PROGRAM, JOHN
8 REED HIMSELF IS A WORLD RENOWN SCIENTIST. AND WHAT
9 THEY CREATE AT THE BURNHAM IS AN INTEGRATIVE APPROACH
10 AMONGST THE SCIENTISTS AND NOW ALSO REACHING OUT INTO
11 CLINICAL ARENAS. THIS BILL WOULD SHOOT HIM IN THE
12 FOOT, AND I DON'T JUST MEAN TO STICK UP FOR HIM, BUT
13 FOR THE IDEA OF AN INSTITUTION THAT IS COLLABORATIVE IN
14 NATURE WHERE THERE IS A LOT OF CONSULTING, THAT YOU MAY
15 INDEED NEED NOT TO WITHSTAND THE WHOLE ISSUE OF
16 CONFLICT OF INTEREST TO THE PUBLIC, WHICH IS VERY
17 IMPORTANT. I JUST WOULD LIKE TO THROW THAT OUT ON THE
18 TABLE.

19 CHAIRMAN KLEIN: THANK YOU, DOCTOR. DR.
20 HOLMES.

21 DR. HOLMES: ACTUALLY, ZACH, I WAS LOOKING
22 FOR A POINT OF CLARIFICATION OF SOMETHING YOU SAID
23 EARLIER. I WASN'T CLEAR. I WOULD FIND IT VERY UNUSUAL
24 IN THE ROLE THAT I HAVE OR A DEPARTMENT CHAIR TO NOT.
25 PARTICIPATE IN THE PREPARATION OF A PROPOSAL, EVEN

1 THOUGH I MAY NOT BE AN INVESTIGATOR. BUT IF THERE ARE
2 MULTIPLE PROPOSALS THAT ARE COMING THROUGH AN
3 INSTITUTION, WE HAVE TO PARE THEM DOWN IN SOME WAY, AND
4 IT INVOLVES ALLOCATION OF PEOPLE AND SPACE AND MAYBE
5 INSTITUTIONAL RESOURCES. I DON'T SEE HOW IN THE WORLD
6 THE POSITION I HAVE OR A DEPARTMENT CHAIR WOULD HAVE
7 THAT I COULDN'T BE ENGAGED IN THE PREPARATION, NOT
8 THAT I'M GOING TO PARTICIPATE IN DOING THE RESEARCH
9 NECESSARILY, BUT SIMPLY BY SAYING SOMEBODY HAS SPACE
10 AND SOMEBODY DOESN'T HAVE SPACE OR WHATEVER. YOU HAVE
11 TO GET INTO THE SCIENCE OF THE PROPOSAL TO UNDERSTAND
12 HOW TO ALLOCATE THOSE RESOURCES. MAYBE I
13 MISUNDERSTOOD.

14 DR. HALL: I THINK THE FOOTNOTE COVERS THAT.

15 DR. HOLMES: I THOUGHT YOU HAD SAID OR
16 SOMEONE HAD MENTIONED THAT WE WOULDN'T BE.

17 DR. HALL: MATERIALLY I THINK IT WOULD BE
18 WRONG FOR YOU TO SIT DOWN AND WRITE A PORTION OF A
19 GRANT THAT WOULD COME BEFORE THE BOARD.

20 DR. HOLMES: I'M PRETTY SURE THEY WOULDN'T
21 ASK ME THAT. BUT I WOULD BE LOOKING AT THE SCIENCE IN
22 THE PROPOSAL THOUGH AND PROBABLY MAKING DECISIONS AS TO
23 WHICH PART OF THE PROPOSAL WAS SELECTED.

24 DR. HALL: THAT'S FINE. LET ME JUST SAY THAT
25 OUR ABILITY TO BE DECISIVE ON THIS ISSUE IS IMPORTANT.

1 IT'S AN IMPORTANT ONE FOR US GOING FORWARD, AND I WOULD
2 URGE THE BOARD TO CONSIDER A MOTION AND MOVE FORWARD,
3 IF POSSIBLE.

4 CHAIRMAN KLEIN: IF I CAN MAKE A MOTION
5 SUGGESTION HERE. CLEARLY THERE IS ABSOLUTE CONSENSUS
6 TO AVOID CONFLICTS AND APPEARANCE OF CONFLICTS. WHAT
7 WE ARE TRYING TO DISCUSS HERE IS INADVERTENT
8 INTERFERENCE IN THE RESEARCH -- INADVERTENT
9 INTERFERENCE BY OUR OWN RESOLUTIONS AND THE NORMAL
10 ASSISTANCE THAT IS CRITICAL FOR INVESTIGATORS WITHIN.
11 INSTITUTIONS TO MOVE THEIR GRANTS FORWARD.

12 THE EMINENT SCIENTISTS AND PHYSICIAN
13 SCIENTISTS THAT ARE AT THIS BOARD GIVE GUIDANCE TO
14 INVESTIGATORS, REDIRECT THEIR PATHS, FUNCTIONS WE DON'T
15 WANT TO SACRIFICE. WE'RE TRYING TO PROTECT AGAINST THE
16 NATURAL CONFLICTS OF INTEREST WHILE NOT HAMPERING
17 RESEARCH IN THE FIELD, BUT HAVE A VERY CLEAR VIEW THAT
18 THERE IS NO FINANCIAL CONFLICT HERE.

19 MY SUGGESTION FOR THE MOMENT -- LET'S SEE.
20 BECAUSE WE HAVE SOME CRITICAL ISSUES TO COVER TODAY,
21 FORTUNATELY WE'VE PUT THE ISSUES ALL ON THE TABLE FOR
22 THE PUBLIC TO SEE, IF WE CAN PASS A RESOLUTION AS IT
23 SITS WITH THE AMENDMENTS TO THE FOOTNOTE WITH A REQUEST
24 TO THE STANDARDS COMMITTEE -- DR. KESSLER IS HERE,
25 HAVING JUST ARRIVED -- TO REALLY TRY AND LOOK AT HOW WE

1 CAN THEN COME BACK WITH REFINEMENTS TO DEAL WITH MAKING
2 CERTAIN THAT WE'VE WEIGHTED THESE VARIOUS POSSIBILITIES
3 OF APPEARANCE OF CONFLICT, DOING THE COLLABORATION AND
4 OTHER ISSUES SO THAT WE CAN THEN EXTEND AND ENHANCE
5 THIS ISSUE.

6 AND I'D LIKE DR. POMEROY, IF POSSIBLE, AND
7 MAYBE DR. BALTIMORE AND OTHERS AT THE PUBLIC HEARING
8 THAT DISCUSSES THE STANDARDS ON THIS, EITHER IN WRITING
9 OR IN PERSON, TO CONTRIBUTE INFORMATION TO THAT SO WE
10 CAN HAVE A PUBLIC HEARING TO REALLY LOOK AT THESE
11 REFINEMENTS AND BRING BACK A SUGGESTION TO THIS BOARD
12 ABOUT HOW WE CAN THEN FURTHER ENHANCE THIS TO GET TO
13 THE POINTS DR. POMEROY HAS RAISED, BUT GET THEM IN A
14 MANNER IN WHICH WE ADVANCE THE SCIENCE WITHOUT HAVING
15 ANY APPEARANCE OF CONFLICT OR REAL CONFLICT AS WE
16 ABSOLUTELY ARE ALL COMMITTED TO AVOIDING EITHER OF
17 THOSE.

18 DR. POMEROY: I REALLY APPRECIATE THE ATTEMPT
19 TO BE INCLUSIVE AND TO BE RESPONSIVE TO MY CONCERNS,
20 BUT I CAN'T IN GOOD CONSCIENCE VOTE FOR THE LANGUAGE IN
21 NO. 1 AS IT'S WRITTEN HERE. SO I JUST WANT TO SAY THAT
22 AT THIS POINT BECAUSE I THINK THE PUBLIC PERCEPTION ON
23 THIS ISSUE IS VERY CRITICAL. THIS WILL -- I PERSONALLY
24 FOR MY OWN SET OF ETHICS FEEL THAT, AS WRITTEN, IT
25 ISN'T ADEQUATE, AND I REALLY WON'T WANT TO BE QUOTED AS

1 SAYING THAT THAT IS.

2 CHAIRMAN KLEIN: OKAY. SO AS A STARTING
3 POINT, YOU DON'T THINK IT'S ADEQUATE?

4 DR. POMEROY: I'M ONE VOTE.

5 DR. PIZZO: COULD WE ASK --

6 CHAIRMAN KLEIN: ABSOLUTELY.

7 DR. PIZZO: BECAUSE I THOUGHT, CLAIRE, THE
8 POINTS THAT YOU MADE WERE WELL TAKEN, AND THEY SEEM TO
9 AFFIRM WHAT DR. HALL PUT FORTH. IT SOUNDED LIKE
10 THERE'S A RELATIVELY EASY ADDITION TO THIS THAT COULD
11 BE MADE. MAYBE ZACH WOULD SUGGEST THAT. IT WOULD
12 ENCOMPASS THE THINGS YOU SAID BEFORE. I THINK WE'RE
13 ALL SUPPORTING, AND LET'S MAKE SURE THE LANGUAGE
14 CAPTURES THAT.

15 DR. HALL: WHAT WOULD YOU PREFER, DR.
16 POMEROY? WHAT WOULD BE AN ALTERNATE WORDING THAT WOULD
17 COVER YOUR CONCERNS?

18 DR. POMEROY: IF THE ENTIRE COMMITTEE WAS
19 COMFORTABLE WITH CHANGING NO. 1, THE SECOND HALF OF NO.
20 1, TO READ "NOR SHALL THEY ACT AS A KEY PERSONNEL IN
21 ANY RESEARCH FUNDED BY THE ICOC`OR BE AN AUTHOR ON ANY
22 RESEARCH FUNDED BY PROP 71," I WOULD BE VERY CONTENT.

23 DR. HALL: SO THE PROBLEM WITH THE SECOND
24 HALF OF THAT IS THAT IT IS PERFECTLY POSSIBLE THAT
25 SOMEBODY ON THE COMMITTEE FUNDED THROUGH ANOTHER

1 MECHANISM MIGHT BE A COLLABORATOR OF A PROPOSITION 71
2 FUNDED PERSON.

3 DR. POMEROY: POINT TAKEN.

4 DR. HALL: SO I WOULD SUGGEST DROPPING THE
5 SECOND PART OF THAT. I DON'T THINK WE NEED TO STRAIN
6 THAT POINT TOO FINE. KEEP THE FIRST PART OF WHAT YOU
7 SAID AND SEE IF WE CAN REACH AGREEMENT ON THAT.

8 DR. POMEROY: I COULD ACCEPT THAT.

9 CHAIRMAN KLEIN: ALL RIGHT. SO COULD THAT.
10 BE RESTATED, PLEASE?

11 DR. POMEROY: JUST CHANGE PI TO KEY
12 PERSONNEL.

13 CHAIRMAN KLEIN: ALL RIGHT. DR. STEWARD.

14 DR. PIZZO: IS KEY PERSONNEL THE WORDING, OR
15 IS IT FUNDED INVESTIGATOR?

16 CHAIRMAN KLEIN: I THINK WHAT DR. PIZZO IS
17 POINTING OUT IS YOU WANT TO ELIMINATE ANY FUNDED
18 INVESTIGATOR. AS LONG AS NO FUNDS TOWARDS YOUR
19 COLLABORATION CAME FROM THE INSTITUTE.

20 DR. PIZZO: I THINK WHAT DR. HOLMES STATED
21 EARLIER, CERTAINLY I WOULD FEEL FROM TIME TO TIME, EVEN
22 IF WE'RE NOT WORKING IN AN AREA WHERE WE REVIEW
23 PROGRAMS AND PROJECTS, WE MAKE SUGGESTIONS THAT COULD
24 ACTUALLY HELP THE INVESTIGATOR CARRYING OUT HIS WORK.
25 SO WE DON'T WANT TO PRECLUDE THAT.

1 DR. HALL: I THINK THAT'S NOT A PROBLEM.
2 MOST GRANTS COME IN AND THE KEY PERSONNEL IS ACTUALLY
3 WANTING PRECISELY THE FUNDING. YOU COME IN AND YOU SAY
4 WHO ARE THE PERSONNEL THAT ARE GOING TO BE ON THE
5 GRANT, AND LIST THEM, AND SOME HAVE SALARY ON IT, SOME
6 MAY NOT.

7 IF I UNDERSTAND, DR. POMEROY'S POINT IS
8 ADDRESSED THAT ONE OF THE COUNCIL MEMBERS, ICOC
9 MEMBERS, WOULD BE LISTED. THAT'S KEY PERSONNEL.

10 NOW, IF IN THE COURSE OF DOING THE WORK, HE
11 CONSULTS WITH SOMEBODY OR EVEN IS LISTED AS A
12 CONSULTANT WHO HAS EXPERTISE IN THIS AREA, I THINK
13 THAT'S A VERY DIFFERENT MATTER.

14 DR. PIZZO: SINCE WE'RE ALSO DESCRIBING THIS
15 IN RELATIONSHIP TO HOW THE PUBLIC SEES IT, I THINK WE
16 UNDERSTAND THE LANGUAGE OF KEY PERSONNEL AND WHO THE
17 PRINCIPAL INVESTIGATOR IS. I THINK WHAT THE PUBLIC
18 WANTS TO KNOW IS IS THIS PERSON FUNDED OR NOT? SO I
19 THINK IF YOU SAY NOT BE A FUNDED INVESTIGATOR OR FUNDED
20 PERSON, WHATEVER YOU PUT THE WORD FUNDED THERE, THAT I
21 THINK WILL ALLEVIATE SOME OF THESE CONCERNS.

22 DR. HALL: WHAT IF THERE ARE KEY PERSONNEL
23 EITHER FUNDED OR UNFUNDED?

24 DR. PIZZO: WELL, I'M MORE WORRIED ABOUT THE
25 FUNDING PART.

1 CHAIRMAN KLEIN: LET ME CALL ON DR.
2 BALTIMORE.

3 DR. BALTIMORE: THIS ORGANIZATION IS TAKING A
4 STANCE IN DIRECT OPPOSITION TO THE STANCE WHICH HAS
5 BEEN TAKEN BY THE NATIONAL INSTITUTES OF HEALTH. I WAS
6 WILLING TO LET THAT HAPPEN, AND I HAD SAID TO SOME
7 PEOPLE HERE AND I SAID CERTAINLY TO MYSELF THAT IF I
8 REACH THE POINT WHERE I WANTED TO BE INVOLVED IN A
9 GRANT WHICH WAS GOING TO CONTRIBUTE TO STEM CELL
10 BIOLOGY, THAT I WOULD LEAVE THE COMMITTEE. AND I WILL
11 DO THAT, BUT AT THE MOMENT I'M NOT READY TO DO THAT.

12 HOWEVER, THERE IS A FUNDAMENTAL CHANGE IN
13 THINKING BY PUTTING IN NO. 1, AND THAT IS THE CHANGE OF
14 THE VIEW THAT PEERS MAKE DECISIONS ABOUT FUNDING TO A
15 VIEW THAT NONPEERS, THOSE WHO ARE NOT INVOLVED IN THE
16 WORK, MAKE THE DECISION ABOUT FUNDING. I FIND THAT
17 VERY DISTURBING. I FIND IT DISTURBING TO HAVE IT AS A
18 PRINCIPLE. AND I THINK THE PUBLIC CAN AND DOES
19 UNDERSTAND THE VALUE OF PEER REVIEW AND THE VALUE OF
20 HAVING A GROUP LIKE THIS, PEOPLE WHO KNOW SO WELL
21 WHAT'S GOING ON THAT THEY'RE ACTUALLY INVOLVED IN IT.

22 SO I TAKE -- I'M SORRY -- DR. FONTANA'S
23 STATEMENT ABOUT HOW THE BURNHAM WORKS VERY SERIOUSLY.
24 WHAT SHE'S SAYING IS IT'S A GROUP OF PEERS, AND THAT
25 JOHN REED IS FIRST AMONG THE PEERS. THAT IS, HE IS THE

1 PRESIDENT. BUT THAT DOESN'T DISTINGUISH HIM IN HIS
2 ROLE AS A SCIENTIST, AND IT SAYS THAT A SCIENTIFIC
3 INSTITUTION IS PART OF THE SCIENTIFIC PROCESS, AND
4 IT NEEDS A LEADER AND IT NEEDS A STRUCTURE THAT DOESN'T
5 SEPARATE IT OUT OF THE SCIENTIFIC PROCESS. IN FACT,
6 IT'S INTEGRAL TO SCIENCE.

7 AND SO I AM PHILOSOPHICALLY NOT IN TUNE WITH
8 WHAT NO. 1 SAYS HERE IN MY BELIEF ABOUT HOW THE
9 SCIENTIFIC COMMUNITY SHOULD WORK TOGETHER.

10 CHAIRMAN KLEIN: DR. HENDERSON.

11 DR. HENDERSON: I WANT TO SUPPORT WHAT DR.
12 BALTIMORE JUST SAID. THE TONE AND SOME OF THE COMMENTS
13 SUGGEST TO ME THAT I MIGHT BECOME UNCOMFORTABLE ENOUGH
14 THAT I WOULD NEED TO RESIGN FROM THIS COMMITTEE AS WELL
15 BECAUSE IT'S IMPOSSIBLE TO BE ENGAGED IN MY RESEARCH
16 COMMUNITY IN AN ACTIVE WAY WITHOUT SOMEHOW CROSSING A
17 LINE THAT BECOMES SO STRICT THAT IT'S VIRTUALLY
18 IMPOSSIBLE FOR ME TO GUARANTEE I DON'T INADVERTENTLY
19 SLIP ACROSS IT.

20 THAT'S SO RIGIDLY DEFINED, AND THEN BECOMES
21 MORAL. SOMEBODY MENTIONED A MORAL COMPLICATION. THE
22 IMPLICATION THAT IT'S A MORAL ISSUE THAT I'M INVOLVED
23 IN MAKES ME VERY, VERY UNCOMFORTABLE.

24 I'M WILLING TO ACCEPT THE LANGUAGE AS IT'S
25 WRITTEN. I ACCEPT THE FACT THAT WE SHOULD NOT BE

1 FUNDED INVESTIGATORS AS ANOTHER REASONABLE MODIFIER;
2 BUT BEYOND THAT, I JUST THINK IT'S GOING TOO FAR.

3 DR. PIZZO: I AGREE WITH THAT. THAT'S WHY I
4 USED FUNDED INVESTIGATORS SPECIFICALLY.

5 DR. BALTIMORE: DO YOU MEAN BY FUNDED
6 SALARIED OR DO YOU MEAN FUNDED IN --

7 DR. PIZZO: SALARY.

8 DR. BALTIMORE: SALARY. SO LET'S NOT TALK
9 ABOUT FUNDED. LET'S TALK ABOUT SALARY. FUNDED MEANS
10 DOING RESEARCH.

11 CHAIRMAN KLEIN: MY UNDERSTANDING, TO CLARIFY
12 THAT, IS WHAT WE'RE TRYING TO DO IS STOP ANY FINANCIAL
13 BENEFIT TO THE INDIVIDUAL THROUGH SALARY.

14 DR. BALTIMORE: IF THAT'S ALL WE'RE DOING,
15 WHY DON'T WE DO THAT?

16 CHAIRMAN KLEIN: DR. BLACK.

17 DR. BLACK: WE'VE GOTTEN TO THE POINT NOW ON
18 THIS COMMITTEE WHERE WE'RE TALKING ABOUT CONFLICTS OF
19 INTERESTS FOR INDIVIDUAL RESEARCH GRANTS. BUT ANOTHER
20 PART OF THIS INITIATIVE DISCUSSES BUILDING FACILITIES,
21 MAJOR SORT OF STEM CELL INITIATIVES THAT HAVE BEEN DONE
22 IN VARIOUS MEDICAL CENTERS. ON THIS BOARD YOU
23 ESSENTIALLY HAVE PEOPLE AS LEADERS OF THOSE
24 INSTITUTIONS THAT WOULD BE IN A SIMILAR CONFLICT OF
25 INTEREST. WHAT WILL BE OUR POLICY THEN WHEN WE START

1 AWARDING MULTIPLE MILLIONS OF DOLLARS TO VARIOUS
2 CENTERS HERE WHERE WE HAVE LEADERS OF THOSE CENTERS ON
3 THIS BOARD AND TO AVOID THE PUBLIC PERCEPTION OF A
4 CONFLICT OF INTEREST AT THAT POINT?

5 CHAIRMAN KLEIN: THE INITIATIVE REQUIRES ALL
6 OF THOSE INDIVIDUALS, IF THERE IS A PROPOSAL FOR THEIR
7 INSTITUTION, TO COMPLETELY RECUSE THEMSELVES. THEY
8 CANNOT PARTICIPATE IN THE DISCUSSION, THEY CANNOT VOTE,
9 SO THEY CANNOT INFLUENCE. FURTHERMORE, UNDER THIS
10 POLICY THEY CANNOT ACT TO INFLUENCE THE POSITION OF
11 OTHER BOARD MEMBERS ON A GRANT FOR THEIR INSTITUTION.

12 DR. BLACK: SO TAKING THAT, THEN, A STEP
13 FARTHER WHERE WE'RE DEALING WITH LARGER DOLLARS IN
14 TERMS OF THOSE FACILITIES, WHY WOULD NOT THAT SAME
15 PRINCIPLE APPLY FOR INDIVIDUAL GRANTS?

16 CHAIRMAN KLEIN: WE EFFECTIVELY ARE BECAUSE
17 FOR INDIVIDUAL GRANTS, NO ONE HERE ON THIS BOARD CAN
18 VOTE FOR ANY GRANT FOR THEIR INSTITUTION, NOR ATTEMPT
19 TO INFLUENCE ANOTHER BOARD MEMBER FOR A GRANT FOR THEIR
20 INSTITUTION. SO WE CONSISTENTLY APPLY THAT.

21 DR. BLACK: WELL, IT WOULD SEEM TO ME, THEN,
22 THAT WE'RE BEING SOMEWHAT CRITICAL BECAUSE THERE SEEMS
23 TO BE A FURTHER SEPARATION ON THE BOARD FOR INDIVIDUAL
24 GRANT FUNDING, WHICH WE'RE SPENDING SO MUCH TIME HERE,
25 BUT A MUCH LARGER CONFLICT OF INTEREST IN TERMS OF

1 AWARDING MULTIPLE DOLLARS TO A PARTICULAR MEDICAL
2 CENTER WHERE IT WOULD BE A MUCH HIGHER INFLUENCE THAT
3 THE BOARD COULD ASSERT AND A MUCH HIGHER DEGREE OF
4 PUBLIC PERCEPTION OF A CONFLICT.

5 CHAIRMAN KLEIN: I THINK, DOCTOR, THE POINT
6 THAT THE INDIVIDUALS OF THE BOARD ARE ADDRESSING IS
7 THEY WANT TO MAKE SURE THE INSTITUTION FUNDS, EVEN
8 THOUGH THEY RECUSE THEMSELVES FROM THE DECISION, DO NOT
9 COME BACK AND BENEFIT THEIR SALARY POSITION. AND SO
10 THAT IS THE DISTINCTION, I THINK, THAT THIS IS PIVOTING
11 ON. AND FOR THE BENEFIT OF THE PUBLIC, WE'RE TRYING TO
12 GO THAT EXTRA STEP HERE TO MAKE CERTAIN, AND
13 INVESTIGATORS ARE INVOLVED, TO KNOW THAT A PERSON ON
14 THIS BOARD COULD GET A SALARY BENEFIT OUT OF THAT,
15 FUNDING FROM THE GRANT ITSELF.

16 DR. PIZZO.

17 DR. PIZZO: I THINK THE CONFUSION IS AN
18 IMPORTANT POINT THAT DR. BLACK IS RAISING IS BETWEEN
19 WHAT WE GENERALLY CALL INDIVIDUAL CONFLICTS OF INTEREST
20 VERSUS INSTITUTIONAL CONFLICTS OF INTEREST. WE'RE
21 FOCUSING RIGHT NOW ON INDIVIDUAL CONFLICT OF INTEREST,
22 BUT WE SHOULDN'T EXCLUDE THE POINT THAT YOU'RE MAKING
23 AS WELL.

24 THE WAY I THOUGHT ABOUT THAT OBVIOUSLY, AS
25 YOU HAVE, I'M SURE EVERYONE HAS, BECAUSE WE ARE ALL

1 COGNIZANT THAT THERE WILL FACILITIES WITH AWARDS, AND
2 MANY OF OUR INSTITUTIONS WOULD BE APPLYING FOR THOSE.
3 OF COURSE, ONE OF THE CONCERNS WE ALL HAVE THAT DO
4 FUNDED RESEARCH, THE ICOC, THE STATE, AND WE HAVE
5 RESPONSIBILITIES FOR OUR INSTITUTION FURTHER.

6 I THINK THAT, AS I SEE THIS BREAKING DOWN,
7 THE POLICY RIGHT NOW, WITH THE CAVEATS AND CONDITIONS
8 WE PUT FORWARD, I THINK COVERS THINGS IN MY MIND
9 SUCCESSFULLY AND ALLOWS US TO CARRY OUT OUR
10 RESPONSIBILITIES TO BE INVOLVED, BE IT RESEARCH
11 OVERSIGHT, BUT WE DON'T BENEFIT PERSONALLY IN TERMS OF
12 RECEIVING DOLLARS IN COMPENSATION.

13 AS IT RELATES TO INSTITUTIONAL CONFLICT, WHEN
14 PROPOSALS COME FORWARD, WHETHER THEY'RE FROM CAL TECH
15 OR FROM UCLA OR FROM STANFORD, THEY OUGHT TO COME
16 FORWARD BY A GROUP. AND WE WILL CERTAINLY HAVE TO ALSO
17 HAVE SOME INVOLVEMENT. THERE'S NO WAY A BUILDING OR IS
18 A POPE IS GOING TO COME UP AND LEAD OUR INSTITUTIONS
19 THAT WE'RE NOT GOING TO HAVE TO SIGN OFF ON. BUT THEN
20 IT'S GOING TO BE JUDGED BY A PROCESS IN WHICH WE'RE OUT
21 OF THAT.

22 I THINK THAT IS ONE OF THE CHALLENGES THAT
23 JUST EXISTS WITH THE WAY THE CIRM EXISTS BECAUSE ALL
24 THE FUNDING IS GOING TO CALIFORNIA, AND ALL OF THE
25 INSTITUTIONS THAT ARE GOING TO RECEIVE THAT FUNDING ARE

1 IN SOME WAY REPRESENTED FOR THE MOST PART HERE. THAT'S
2 THE ANOMALY, THIS SITUATION, AND I THINK WE HAVE TO
3 ACCEPT IT, BUT RISE ABOVE IT TO MAKE SURE IT FUNCTIONS
4 PROPERLY.

5 CHAIRMAN KLEIN: WITH THAT COMMENT, I'M GOING
6 TO HAVE DR. LEVEY COMMENT. I WOULD LIKE TO SAY FOR.
7 THE 70 PATIENT ADVOCACY GROUPS, THE 30 MEDICAL GROUPS
8 THAT ENDORSED THIS INITIATIVE, THE BROAD PUBLIC, THE
9 CHAMBERS OF COMMERCE, THE LARGE NUMBERS OF PUBLIC
10 PRESENTATIONS, THE COMPOSITION OF THIS BOARD AND HOW
11 VITAL IT WAS TO HAVE RESEARCH EXPERIENCE AND EXECUTIVE
12 EXPERIENCE FROM RESEARCH INSTITUTIONS WAS DEBATED
13 FULLY. AND THE PUBLIC, SEVEN MILLION PEOPLE VOTED THAT
14 THIS RESEARCH WAS CRITICAL TO HAVE THIS BOARD
15 REPRESENTATION THAT'S PUT BEFORE YOU. SO THE INTENT IS
16 OBVIOUSLY TO HAVE THE CRITICAL EXPERTISE IN SCIENCE AND
17 MEDICINE ON THIS BOARD AND PATIENT ADVOCACY ON THIS
18 BOARD AND BIOLOGICAL THERAPIES ON THIS BOARD, BUT TRY
19 TO PROVIDE THE BEST CONFLICTS POLICES WE CAN HERE, AND
20 IT IS ALWAYS GOING TO BE A BALANCING ACT WHERE WE HAVE
21 TO HAVE EXPERIENCE, BUT TO HAVE IT BE AS PUBLIC AS
22 POSSIBLE.

23 DR. LEVEY AND THEN I'M GOING TO CALL FOR THE
24 QUESTION.

25 DR. LEVEY: IT IS GETTING KIND OF CONFUSING

1 WITH ALL OF THIS GOING BACK AND FORTH. BUT I WOULD
2 JUST REMIND THE BOARD THAT THE ROLE -- IF YOU LOOK AT
3 THIS BOARD, WE'RE NOT SERVING UCLA OR STANFORD OR CAL
4 TECH OR SAN DIEGO. WE ARE SERVING THE STATE. SO
5 WHATEVER HAPPENS TO THIS HAS NOTHING TO DO WITH OUR.
6 ROLE. WE ARE NOT THE DEANS. WE ARE NOT VICE
7 CHANCELLORS OR PRESIDENTS OR ANYTHING ELSE. WE ARE
8 REALLY SERVING THE STATE.

9 AND I THINK, AT LEAST IT LOOKS TO ME, IF SO
10 MANY PEOPLE ARE NIPPING AT OUR HEELS, THAT IF WE'RE
11 GOING TO GO GET THIS PROGRAM OFF AND RUNNING, SO WE
12 ACTUALLY DO IT AND GET IT OUT OF COURT AND DO WHAT
13 WE'RE SUPPOSED TO DO, WE'RE GOING TO HAVE TO BE REALLY
14 SQUEAKY CLEAN. THIS IS WHY WE SERVE. I DISCUSSED IT
15 WITH MY CHANCELLOR BEFORE WE WENT ON BECAUSE I KNEW WE
16 WERE STARTING A STEM CELL INSTITUTE HE WANTED ME TO SIT
17 ON; BUT I KNEW WHEN I CAME ON THIS, I CAN'T DO ANYTHING
18 WITH THAT.

19 SO I WOULD JUST URGE PEOPLE TO THINK THIS WAY
20 BEFORE THEY VOTE ON THIS. MAYBE WE NEED A GOOD LAWYER
21 FROM THE ATTORNEYS GENERAL'S OFFICE OR SOMETHING TO
22 WRITE TWO LINES ABOUT WHAT THE STATE WANTED. I'M NOT
23 VERY GOOD AT WORDSMITHING EITHER, CERTAINLY NOT IN
24 THESE CONDITIONS.

25 I JUST HOPE THAT PEOPLE KEEP IN MIND THAT,

1 FRANKLY, WE DO SERVE THE STATE, AND IT'S NOT OUR
2 UNIVERSITIES THAT WE'RE SERVING.

3 CHAIRMAN KLEIN: AGAIN, WE HAVE TO HAVE A
4 STRONG STARTING POINT. WE'RE TRYING TO GET A STRONG
5 STARTING POINT WHERE THEY'RE GOING TO HAVE HEARING,
6 PUBLIC HEARING. AT SOME POINT THERE WILL BE A FULL
7 PUBLIC HEARING JUST ON THIS TOPIC TO MAKE SURE WE
8 ENHANCE THIS, TO MAKE SURE THAT WE GET TO THE RIGHT
9 SOLUTION, BUT WE HAVE TO HAVE A STRONG STARTING POINT.

10 THE LAST POINT THAT I HEARD IS THAT WE INSERT
11 THE WORD "SALARIED INVESTIGATOR." AND THE PURPOSE IS
12 TO MAKE CERTAIN THAT THERE IS NO SALARY ON ANY
13 INSTITUTE GRANT THAT ANYONE WHO WAS ON THE BOARD OF
14 THIS INSTITUTE TO ENSURE THAT WE HAVE TOTALLY
15 SEGREGATED OUT ANY PERSONAL BENEFIT.

16 NOW, IS THERE A MOTION WITH THE AMENDMENT OF
17 ADDING THE WORD "SALARIED INVESTIGATOR"?

18 DR. PIZZO: SO MOVED.

19 CHAIRMAN KLEIN: MOVED BY DR. PIZZO. IS
20 THERE A SECOND?

21 (SEVERAL PEOPLE SECOND.)

22 DR. STEWARD: I'M SORRY. COULD YOU ACTUALLY
23 READ THE FINAL VERSION OF NO. 1?

24 CHAIRMAN KLEIN: I WILL, DOCTOR. THERE IS A
25 SECOND ON THE FLOOR.

1 DR. BALTIMORE: THE SECOND HASN'T OCCURRED
2 YET.

3 CHAIRMAN KLEIN: I'M GOING TO HAVE IT READ
4 RIGHT NOW AND MAKE SURE IT'S CORRECT.

5 DR. BALTIMORE: THEN YOU SHOULD ASK FOR A --

6 CHAIRMAN KLEIN: THAT'S FINE. I BELIEVE,
7 ALTHOUGH IT WAS UNDERSTOOD, I'M GOING TO HAVE IT REREAD
8 RIGHT NOW.

9 DR. KESSLER: ON LANGUAGE LIKE THIS, I THINK
10 IT'S VERY IMPORTANT WE HAVE LANGUAGE IN FRONT OF US. I
11 WOULD STRONGLY OBJECT. WORDS DO MAKE A DIFFERENCE.
12 AND IT JUST IS VERY IMPORTANT, I THINK, TO GET THIS
13 RIGHT. AND EVERYONE WANTS TO GET THIS RIGHT.

14 CHAIRMAN KLEIN: LET ME MAKE THE SUGGESTION,
15 AND I THINK THAT'S AN EXCELLENT IDEA. WHY DON'T WE TRY
16 AND DO THIS. WE HAVE MORE ITEMS ON THE AGENDA TODAY,
17 BUT SEE IF WE CAN GET THE LANGUAGE DOWN CLEANLY SO IT'S
18 IN FRONT OF EVERYONE, BRING IT BACK WITH THE LANGUAGE
19 IN FRONT OF EVERYONE. AND IF WE'RE ABLE TO TAKE AN
20 ACTION THERE, THEN WE WOULD PROCEED, AND I DO REALIZE
21 THAT WITH THE NUMBER OF POINTS IN DISCUSSION, THAT MY
22 UNDERSTANDING OF THE LANGUAGE AND OTHERS MEMBERS MAY
23 NOT BE THE SAME, THAT HAVING THE LANGUAGE IN FRONT OF
24 US IT THE BEST. I THANK DR. KESSLER.

25 WITH THE BOARD'S APPROVAL, CAN WE FOLLOW THAT

1 APPROACH?

2 DR. PIZZO: WE'VE HAD SUCH A LONG DISCUSSION,
3 AND WHILE I'M VERY SENSITIVE TO THE POINT, IT DOESN'T
4 SEEM LIKE IT'S THAT HARD TO MODIFY THE LANGUAGE AND
5 MOVE ON. WHAT I'M WORRIED ABOUT IS HAVING ANOTHER
6 LENGTHY DISCUSSION ABOUT THIS LATER. I WONDER IF
7 ZACH -- IF DR. HALL COULD INSERT THE WORDS AND JUST
8 MODIFY THIS LANGUAGE RIGHT NOW, AND LET'S GET ON WITH
9 THIS.

10 CHAIRMAN KLEIN: DR. KESSLER, AN OPTION IS,
11 IF I CAN ASK, PLEASE, AN OPTION WOULD BE TO PUT IT ON
12 THE SCREEN. DR. KESSLER?

13 DR. KESSLER: CERTAINLY IF YOU CAN PUT IT
14 ON -- CAN I --

15 DR. HALL: LET ME READ IT FIRST TO MAKE SURE
16 WE'RE DRIVING IN THE SAME DIRECTION. AS I UNDERSTAND
17 IT, IT SAYS, NO. 1, MEMBERS OF THE ICOC -- DOES
18 EVERYBODY HAVE IT IN FRONT OF THEM? IT'S IN ITEM NO. 9
19 UNDER THE TAB. IT IS AGENDA ITEM NO. 9. IT IS LISTED
20 AS NO. 1.

21 MEMBERS OF THE ICOC SHALL NOT APPLY FOR
22 GRANTS, LOANS, OR CONTRACTS FROM THE ICOC, NOR SHALL
23 THEY ACT AS A PRINCIPAL INVESTIGATOR OR SALARIED
24 INVESTIGATOR IN ANY RESEARCH FUNDED BY THE ICOC.

25 SO IT IS TO INSERT THE THREE WORDS -- FOUR

1 WORDS, OR A SALARIED INVESTIGATOR AFTER PRINCIPAL
2 INVESTIGATOR.

3 CHAIRMAN KLEIN: DR. KESSLER?

4 DR. KESSLER: TELL ME WHAT THOSE WORDS MEAN.
5 TELL ME WHAT PRINCIPAL INVESTIGATOR MEANS. YOU'RE
6 MAKING A DISTINCTION BETWEEN --

7 DR. HALL: ALL GRANTS COME IN WITH A
8 PRINCIPAL INVESTIGATOR, OCCASIONALLY A CO-PI. AND
9 THAT'S THE WAY THE NIH WORKS, AND SO ALL GRANTS COME IN
10 WITH THAT. THEN THERE IS A LIST OF INVESTIGATORS
11 ASSOCIATED WITH THE GRANT WITH THEIR SALARY COMPONENT
12 LISTED USUALLY IN THE SECOND OR THIRD PAGE. SO WE HAVE
13 NOT DEvised ALL OF OUR PROCEDURES FOR THIS, BUT WE
14 PRESUMABLY WILL FOLLOW SOMETHING VERY SIMILAR TO THE
15 NIH. SO I THINK THAT IS WHAT IS MEANT BY THAT.

16 YOU HAVE A LIST OF ALL INVESTIGATORS ON THE
17 GRANT AND WHAT PORTION OF SALARY THEY WILL RECEIVE. SO
18 IT'S VERY CLEAR.

19 DR. KESSLER: THEN YOU CAN BE LISTED AS AN
20 INVESTIGATOR WITHOUT SALARY AS LONG AS YOU'RE NOT THE
21 PRINCIPAL INVESTIGATOR?

22 DR. HALL: THAT IS HOW WE READ THE SENSE OF
23 THIS GROUP. I THINK SOME MIGHT PUSH TO PUT THAT IN,
24 OTHERS NOT, BUT I THINK THE EFFORT IS TO FIND SOMETHING
25 THAT WE CAN ALL AGREE ON HERE SO WE CAN RESOLVE THE

1 ISSUE.

2 DR. LEVEY: YOU COULD BE AN INVESTIGATOR,
3 SOMEBODY WHO IS ENGAGED IN THE PROJECT, BUT NOT
4 SALARIED AND NOT A PRINCIPAL INVESTIGATOR?

5 DR. HALL: WELL, YOU HAVE THAT CHOICE AS A
6 COMMITTEE. YOU CAN EITHER ADD -- WE HAD BEFORE FUNDED
7 OR UNFUNDED INVESTIGATOR, BUT MANY FELT THAT WAS TOO
8 STRONG. SO THESE ARE PRECISELY THE KINDS OF QUESTIONS,
9 I THINK, THAT THE COMMITTEE NEEDS TO SORT OUT.

10 ONE VIEW IS TO TAKE -- ONE THING WE CAN DO IS
11 TO TAKE ONE OF THOSE VERSIONS AND VOTE ON IT; AND IF IT
12 DOESN'T WORK, TAKE THE OTHER ONE AND VOTE ON IT AND SEE
13 WHAT WE CAN DO.

14 CHAIRMAN KLEIN: I WOULD LIKE TO DO TWO
15 THINGS. ONE IS WE HAVE TO HAVE PUBLIC COMMENT BEFORE
16 WE CAN HAVE A VOTE. AT THIS POINT WHAT I'D LIKE TO DO
17 IS GET A SENSE OF THE BOARD ON WHETHER THEY WANT TO
18 MOVE ON THIS ITEM NOW OR THEY'D PREFER TO TRY TO DO IT
19 LATER IN THE DAY.

20 DR. PIZZO: I MOVE THIS ITEM NOW.

21 DR. HOLMES: SECOND.

22 CHAIRMAN KLEIN: THERE IS A MOTION FROM DR.
23 PIZZO. WHO WAS THE SECOND? DR. HOLMES IS THE SECOND.

24 THERE IS A MOTION ON THE TABLE. THE WORDING
25 I BELIEVE THEY'RE ATTEMPTING TO PUT IT ON THE SCREEN

1 FOR EVERYONE'S BENEFIT. FOR PURPOSES OF THE PUBLIC
2 DISCUSSION, IT HAS BEEN MADE SUFFICIENTLY CLEAR. I
3 WOULD ALSO ASK ZACH IF THERE'S ANY ISSUE WITH THE
4 WORDING? DR. KESSLER, IF YOU WOULD WALK OVER AND MAKE
5 SURE THAT WE'RE CLEAR ON THE WORDING OR ANY OTHER BOARD
6 MEMBER.

7 I FELT THIS IS A VERY IMPORTANT ISSUE BECAUSE
8 IT INVOLVES THE BOARD, AND THE BOARD NEEDED TO HAVE A
9 COMPLETE DISCUSSION ON THIS ISSUE.

10 DR. KESSLER, I ALSO HAVE SUGGESTED THAT IN
11 ADDITION TO WHAT WE DO HERE TODAY MAKE CERTAIN, BECAUSE
12 THERE ARE SOME PERMUTATIONS OF THIS, THAT WE MAY NEED
13 TO ENHANCE THIS, THAT THE STANDARDS COMMITTEE TAKE UP
14 THIS ISSUE IN A PUBLIC HEARING OF THE STANDARDS
15 COMMITTEE TO LOOK AT FURTHER REFINEMENTS OF THE
16 LANGUAGE TO MAKE CERTAIN THAT THE LANGUAGE IS
17 INSTRUCTIVE, ACCURATE, ACUTELY FOCUSED. DR. KESSLER.

18 DR. KESSLER: JUST ANOTHER POINT OF
19 CLARIFICATION. ARE THERE OTHER WORDS, OTHER CHANGES ON
20 THIS, FOR EXAMPLE, IN THE FOOTNOTE?

21 CHAIRMAN KLEIN: BEFORE YOU ARRIVED --

22 DR. KESSLER: HAVE THEY BEEN VOTED ON?

23 CHAIRMAN KLEIN: NO. THOSE ARE GOING TO BE
24 PUT ON THE SCREEN AS WELL.

25 DR. KESSLER: SO YOU'RE GOING TO PUT UP ALL

1 THE CHANGES TO THIS ON THE SCREEN.

2 CHAIRMAN KLEIN: YES, SIR. OKAY.

3 MS. SAMUELSON: EXCUSE ME. JOAN SAMUELSON.
4 I'M AFRAID I HAVE QUESTIONS ABOUT DIFFERENT ITEMS,
5 WHICH ARE NOS. 6 AND 7. I THINK PERHAPS ALL OF THIS
6 CAN BE RESOLVED COMPLETELY IN A FULL DELIBERATION BY
7 THE STANDARDS WORKING GROUP, BUT I THINK THAT'S
8 ESSENTIAL FOR US TO REALLY FEEL COMPLETELY COMFORTABLE.

9 BUT IN ITEM 7 IT INDICATES THAT THERE ARE
10 LOBBYISTS REGISTERED TO LOBBY WITH THE ICOC AND THE
11 CIRM. I DIDN'T REALIZE THAT THERE WAS ANY SUCH THING,
12 AND I'M WONDERING WHO THOSE PARTIES ARE.

13 CHAIRMAN KLEIN: THAT'S SO THAT WE DON'T
14 RECEIVE GIFTS FROM ANY LOBBIES.

15 MS. SAMUELSON: I UNDERSTAND THAT. AND I'M
16 IN A DIFFERENT SITUATION. I WORK WITH NONPROFITS. I
17 RAISE FUNDS FOR NONPROFITS THAT I'M EMPLOYED BY OR SIT
18 ON BOARDS OF. I ACCEPT HONORARIA ON OCCASIONS AND
19 TRAVELING EXPENSES. AND THESE ARE ELABORATE
20 DEFINITIONS OF GIFT.

21 AND IT SAYS DIRECTLY OR INDIRECTLY, AND I
22 THINK I NEED TO BE COMPLETELY CLEAR ON THAT, WHAT THAT
23 ALL MEANS BECAUSE JUST AS EVERYONE ELSE HAS EXPRESSED
24 THEIR SENTIMENTS, I DON'T WANT TO REMOTELY APPEAR TO BE
25 TRANSGRESSING THE CONFLICT OF INTEREST STANDARDS OF

1 THIS ORGANIZATION OR IN ANY WAY APPEARING.

2 CHAIRMAN KLEIN: I UNDERSTAND COMPLETELY.
3 DR. HALL, I BELIEVE YOU CAN PICK THIS IT UP, PERHAPS,
4 WITH MR. HARRISON FROM THE -- LET ME HAVE MR. HARRISON
5 COMMENT PROBABLY FROM THE FEPC GUIDANCE. IS THAT WHERE
6 THIS IS COMING FROM?

7 MR. HARRISON: THERE'S A PROVISION UNDER
8 STATE LAW THAT RESTRICTS PUBLIC OFFICIALS TO ACCEPTING
9 GIFTS OF NO MORE THAN \$10 PER MONTH FROM A LOBBYIST WHO
10 IS REGISTERED TO LOBBY THE OFFICIAL'S AGENCY. TO MY
11 KNOWLEDGE TO DATE, THERE ARE NO INDIVIDUALS WHO ARE
12 REGISTERED TO LOBBY THE CIRM; HOWEVER, OUT OF AN
13 ABUNDANCE OF CAUTION AND REALLY TO AVOID EVEN THE
14 APPEARANCE OF ANY IMPROPRIETY, WHAT THIS PROPOSAL WILL
15 DO WOULD BE SIMPLY TO SAY YOU MAY NOT ACCEPT ANY GIFT
16 FROM SOMEONE WHO IS REGISTERED TO LOBBY THE CIRM.

17 A PERSON, BY THE WAY, WHO IS ENGAGED IN
18 LOBBYING THE CIRM IS REQUIRED TO FILE A REPORT WITH THE
19 SECRETARY OF STATE'S OFFICE SO THAT THE PERSON'S
20 IDENTITY CAN BE ASCERTAINED.

21 MS. SAMUELSON: IS THERE A PROCESS FOR US TO
22 IDENTIFY WHO THOSE INDIVIDUALS ARE?

23 MR. HARRISON: WE AS THE STAFF CAN NOTIFY ALL
24 BOARD MEMBERS SO THAT THEY CAN ARM THEMSELVES AGAINST
25 THE INADVERTENT RECEIPT OF A GIFT FROM A LOBBYIST.

1 CHAIRMAN KLEIN: I THINK IT'S APPROPRIATE
2 HERE TO ASK COUNSEL SPECIFICALLY WHENEVER THERE IS A
3 REGISTERED LOBBYIST WHO APPLIES TO EVERY BOARD MEMBER.

4 MR. SHEEHY: I HAVE A QUESTION ABOUT THAT. I
5 BELIEVE MR. HARRISON HAS INSIGHT. ARE ADVOCACY
6 AGENCIES THAT LOBBY THE LEGISLATURE, THAT ADVOCATE AT
7 THE LEGISLATURE, ARE THEY REQUIRED TO REGISTER THE
8 LOBBY? I KNOW IN THE HIV FIELD, THE PRIVATE REFORMS,
9 THE AIDS FOUNDATION, ATLA, AHF, THEY ALL HAVE PEOPLE
10 WHO WORK WITH THE LEGISLATURE. ARE THOSE PEOPLE THEN
11 REQUIRED TO REGISTER AS LOBBYISTS? AND IF THEY WERE --
12 I'M NOT SUGGESTING -- I MEAN WE'RE DISEASE ADVOCATES,
13 AND WE COME FROM AN ENVIRONMENT, AND WE MOVE WHERE
14 THERE IS AN ENORMOUS AMOUNT OF EFFORT. THAT'S WHY THEY
15 EXIST. THAT'S HOW YOU GET TO \$3 BILLION.

16 SO, YOU KNOW, IN SOME WAY THERE IS A
17 POTENTIAL, DEPENDING ON HOW YOU DEFINE LOBBYIST AND HOW
18 IT'S DEFINED, AND I THINK IT'S GOING TO HAVE TO MIRROR
19 WHAT HAPPENS AT THE LEGISLATURE, I BELIEVE. AND IF MY
20 FRIEND WHO WORKS TO TRY TO INFORM AND TALKS TO SENATOR
21 MAITLAND, IF HE IS OR SHE IS A REGISTERED LOBBYIST,
22 THAT IN THAT CONTEXT I THINK WE NEED A LITTLE FURTHER
23 ELABORATION CONCERNING THAT IF YOU'RE GOING TO HAVE
24 LEGITIMATE DISEASE ADVOCATES SERVE ON THIS BODY PER THE
25 LEGISLATION, I THINK YOU NEED SOME CLARIFICATION ON

1 THAT.

2 FRANKLY, JUST GOING BACK TO THE WHOLE THING,
3 I THINK THIS DISCUSSION, IN SOME WAY I THINK WHAT WE
4 REALLY WANT TO DO IS MAKE SURE THE DECISIONS WE MAKE IN
5 FUNDING ARE GUIDED BY SCIENCE AND NOT BY ANYBODY'S
6 SELF-INTEREST. AND THAT'S WHAT NEEDS TO BE REFLECTED.
7 IF DR. STEWARD HAS THE CURE, I DON'T CARE. DO YOU
8 THINK ANYBODY IN THIS ROOM CARES THAT HE APPLIES AS A
9 PI IF HE'S GOT THE CURE? BUT WE WANT TO MAKE SURE THAT
10 THE SCIENCE THAT WE'VE BOUGHT IS THE BEST SCIENCE. I
11 THINK IT WILL BECOME REALLY RELEVANT WHEN WE START
12 TALKING ABOUT FACILITIES, WHEN WE START TALKING ABOUT
13 CENTER GRANTS. I ALREADY HEAR, WELL, SO AND SO'S GOING
14 TO GET ONE AND SO AND SO IS GOING TO GET ONE. YOU GOT
15 TO DO THAT POLITICALLY. AND EVERYBODY IS GOING TO GET
16 A LITTLE PIECE OF THE ACTION.

17 WITHOUT A STRATEGIC SCIENTIFIC AGENDA -- I
18 JUST THINK MAYBE WE NEED TO BE A LITTLE MORE THOUGHTFUL
19 ABOUT HOW ALL THESE PIECES COME TOGETHER. WE WERE ALL
20 PUT ON HERE TO A CERTAIN DEGREE WITH CERTAIN CONFLICTS
21 OF INTEREST. IF ASSUMPTIONS OF INTEREST WERE MADE, I
22 MEAN THE UC SYSTEM IS A PUBLIC ENTITY. MANY OF THE
23 NONPROFIT RESEARCH ENTITIES, I MEAN, THEY'RE NOT SET UP
24 TO MAKE PEOPLE RICH. PEOPLE MAY DO WELL WITHIN THE
25 CONTEXT OF THOSE BUSINESS THINGS, BUT THEY REALLY ARE

1 SET UP TO PERFORM A PUBLIC SERVICE, WHICH IS TO CURE
2 PEOPLE.

3 SOMEHOW THESE RULES NEED TO REFLECT BOTH THE
4 REALITY OF THE WAY THAT THIS LEGISLATION WAS WRITTEN,
5 WHICH IS, AS DR. FONTANA SAID, WAS TO ENCOURAGE
6 COLLABORATION BETWEEN ALL OF THESE PARTIES AND CREATE A
7 PROCESS WHEREBY WE CAN NEGOTIATE HOW ALL THESE
8 RESOURCES ARE GOING TO DISTRIBUTED IN THE MOST
9 EFFECTIVE AND EFFICIENT WAY TO GET CURES BECAUSE THAT'S
10 WHAT THEY'RE GOING TO JUDGE US ON. WE CAN BE SWEET AND
11 CLEAN, AND TEN YEARS FROM NOW, AND NOBODY HAS BEEN
12 CURED, THEY'RE GOING TO CALL US ALL CROOKS.

13 SO THAT'S THE LEVEL OF ANALYSIS THAT I THINK
14 NEEDS TO BE PUT ONTO THIS PROCESS. I'M NOT THE PERSON
15 WHO HAS THE ANSWER, BUT THAT'S THE PERSPECTIVE WE NEED
16 TO LOOK AT THIS FROM.

17 CHAIRMAN KLEIN: LET ME RESPOND SPECIFICALLY
18 TO YOUR QUESTION BECAUSE THE DEFINITION OF LOBBYIST HAS
19 BEEN HIGHLY DEBATED IN PUBLIC HEARINGS AND IS SET OUT.
20 JAMES HARRISON, WOULD YOU RESPOND TO THAT, PLEASE?

21 MR. HARRISON: LOBBYIST IS A DEFINED TERM IN
22 THE POLITICAL REFORM ACT, AND IT'S DEFINED AS AN
23 INDIVIDUAL WHO RECEIVES OR IS ENTITLED TO RECEIVE
24 \$2,000 A MORE PER CALENDAR MONTH FOR THE PURPOSE OF
25 LOBBYING. SO IN THE EXAMPLE YOU GAVE OF INDIVIDUALS

1 WHO ARE COMPENSATED OR EMPLOYED BY A LOBBYING FIRM ARE
2 REQUIRED TO REGISTER WHEN THEY LOBBY THE LEGISLATURE.

3 MR. SHEEHY: I WASN'T DISCUSSING A LOBBYING
4 FIRM. I WAS DISCUSSING AN ADVOCACY GROUP. AND MY
5 SENSE IS THAT THOSE FOLKS WOULD BE REQUIRED TO LOBBY.
6 AND I THINK WE'D BE IN A VERY AWKWARD POSITION IF
7 THEY'RE IN CONVERSATIONS WITH US WHERE THEY'RE
8 REGISTERED LOBBYISTS WITH THE STATE -- WITH THE
9 LEGISLATURE. I DON'T KNOW IF PARKINSON'S FOLKS, IF.
10 YOU GUYS HAVE TO REGISTER OR NOT.

11 DR. HALL: POINT OF INFORMATION HERE. IT
12 SAYS A VALUE FROM A LOBBYIST WHO IS REGISTERED TO LOBBY
13 THE ICOC OR CIRM.

14 CHAIRMAN KLEIN: THE DISTINCTION IS THAT
15 SOMEONE CAN LOBBY THE LEGISLATURE ON A BILL. BUT
16 UNLESS THEY ARE LOBBYING US ON A PARTICULAR GRANT OR
17 UNLESS THEY ARE LOBBYING ICOC SPECIFICALLY, THE FACT
18 THAT THEY'RE UP BEFORE THE LEGISLATURE AS A LOBBYIST
19 DOES NOT MAKE THEM A LOBBYIST AT ICOC. NEVERTHELESS, I
20 THINK YOUR POINT IS IMPORTANT, AND IN A SENSE WE NEED
21 TO ADDRESS THIS IN OUR DISCUSSIONS. CERTAINLY WE WANT
22 TO BE JUST UNPAID MEMBERS OF PATIENT ADVOCACY GROUPS
23 THAT APPEAR BEFORE, BUT THEIR EXECUTIVE DIRECTORS, BUT
24 IT ALSO GOES TO THE ISSUE OF WHETHER THERE'S AN ATTEMPT
25 TO INFLUENCE.

1 THE AGENCY GOES THROUGH AND LAYS OUT THESE
2 ISSUES OUT IN GREAT DETAIL, WHICH SHOULD BE CIRCULATED
3 TO THE BOARD MEMBERS. IF WE DON'T LEAVE THAT DETAIL AS
4 APPROPRIATE AS IT APPLIES TO THE INSTITUTE, IT WILL
5 CONSTRAIN A POPULAR PATIENT ADVOCACY. WE NEED TO BRING
6 THAT TO THE BOARD TO SPECIFICALLY ADDRESS HOW WE
7 MORALLY ADDRESS THIS SO WE DO GET THE RIGHT
8 REPRESENTATION OF PATIENT INTEREST.

9 THERE IS A MOTION ON THE FLOOR, AND THERE.
10 IS A SECOND. THE LANGUAGE IS UP ON THE BOARD.

11 DR. HALL: THESE ARE THE TWO MODIFIED.
12 PIECES OF ITEM 9, NO. 1 AND THEN THE FOOTNOTE.

13 MS. SAMUELSON: I HAVE A PROCEDURAL QUESTION.
14 I'D LIKE TO KNOW WHAT THE URGENCY FOR DOING THIS TODAY
15 IS BECAUSE I DON'T FEEL COMFORTABLE WITH VOTING FOR IT.
16 I WANT VERY MUCH TO HAVE AN EFFECTIVE STANDARD IN
17 PLACE, BUT THERE ARE SO MANY QUESTIONS RAISED, THAT I
18 WOULD RATHER NOT.

19 CHAIRMAN KLEIN: AS A PROCEDURAL VOTE, I'D
20 LIKE TO KNOW FROM COUNSEL, I NEED TO GET PUBLIC INPUT.
21 CAN I, AS A PROCEDURAL QUESTION, ASK THE BOARD, BEFORE
22 I GET PUBLIC INPUT, WHETHER THEY WANT TO DISCUSS -- TO
23 CONCLUDE THIS TODAY OR NOT?

24 OKAY. AS A PROCEDURAL ITEM, BEFORE ASKING
25 FOR A VOTE ON THE MOTION, IS THERE A SEPARATE MOTION TO

1 NOT -- ARE YOU GOING TO MAKE A MOTION --

2 DR. PIZZO: CAN WE DO THAT? IS IT POSSIBLE
3 TO HAVE A SEPARATE MOTION? WE HAVE A MOTION ON THE
4 FLOOR WHICH HAS BEEN SECONDED. I THINK WE SHOULD
5 PROCEED WITH THAT.

6 CHAIRMAN KLEIN: ALL RIGHT. MY BELIEF IS
7 YOU.
8 ACTUALLY CAN HAVE A SEPARATE PROCEDURAL MOTION. THAT'S
9 WHY I ASKED COUNSEL.

10 DR. PIZZO: IF YOU CAN, THEN I WITHDRAW MY
11 MOTION.

12 CHAIRMAN KLEIN: THAT'S WHY I WAS CONSULTING
13 WITH COUNSEL BECAUSE IT IS A DIFFICULT TECHNICAL AREA.

14 DR. PIZZO: HE DOESN'T KNOW.

15 DR. HARRISON: I DON'T HAVE MY ROBERT'S RULES
16 OF ORDER IN FRONT OF ME, WHICH IS WHAT THIS BOARD WILL
17 BE GUIDED BY. SO I THINK OUT OF AN ABUNDANCE OF
18 CAUTION, IT'S BEST TO CONSIDER THE MOTION THAT'S ON THE
19 TABLE.

20 CHAIRMAN KLEIN: ALL RIGHT. I LISTEN TO
21 COUNSEL'S DIRECTION. LET'S DO THIS. WE NEED TO GET
22 SOME PUBLIC COMMENT BECAUSE WHATEVER WE DECIDE IN THE
23 FUTURE, HAVING SOME PUBLIC COMMENT IS VERY IMPORTANT.
24 WE'RE GOING TO HAVE PUBLIC HEARINGS IN THE FUTURE, BUT
25 PUBLIC COMMENTS AT THIS TIME ARE VERY IMPORTANT FOR

1 ADDITIONAL GUIDANCE. IS THERE PUBLIC COMMENT?

2 MR. REYNOLDS: HI. THANK YOU. I'M JESSE
3 REYNOLDS FROM THE CENTER FOR GENETICS IN SOCIETY. I'D
4 LIKE TO THANK THE BOARD FOR RESPONDING TO OUR LETTER
5 FOR CLARIFYING THE INTERIM NATURE OF THE POLICIES WHICH
6 ARE ON THE TABLE TODAY, AS WELL AS RENEWING YOUR
7 COMMITMENT TO PUBLIC HEARINGS.

8 I THINK WHAT WE'VE SEEN IN THE CONVERSATION
9 JUST NOW IS THAT THE STATUTORY LANGUAGE OF PROPOSITION
10 71 CREATES A PARTICULARLY CLOSE RELATIONSHIP BETWEEN
11 THE GOVERNING BOARD AND RESEARCHERS, PRIVATE BIOTECH
12 INDUSTRY, AND REPRESENTATIVES OF UNIVERSITIES. AND
13 ALTHOUGH THE PROPOSAL TODAY IS A BIG STEP, I THINK THAT
14 THIS CLOSENESS HIGHLIGHTS THE NEED TO CREATE AN
15 EFFECTIVE FIREWALL AROUND ISSUES OF POTENTIAL FINANCIAL
16 CONFLICTS OF INTEREST.

17 IN PARTICULAR, I'M CONCERNED ABOUT ITEM NO. 4
18 THERE ON THE LIST, THAT IT MAY BE EXTREMELY DIFFICULT
19 TO OVERSEE THIS POLICY AND, IN EFFECT, IT MAY RESULT IN
20 A POLICY OF SELF-DISCLOSURE AND SELF-RECUSAL ONLY. FOR
21 THAT REASON, I URGE A POLICY WHEREBY NO MEMBERS OF THE
22 ICOC MAY HAVE INVESTMENTS WHICH STAND TO BENEFIT FROM
23 THE ACTIVITIES OF THE INSTITUTE. YOU CAN SEE ON THE
24 DRAFT OF THE POLICIES OF THE STAFF, THERE'S A POINT --
25 IT'S A BIG STEP IN THAT DIRECTION.

1 THAT'S WHY MR. KLEIN VERY EARLY ON TOOK A
2 SIMILAR PLEDGE ABOUT BIOMEDICAL STOCK, AND I URGE YOU
3 CONSIDER THAT AS A POLICY. THANK YOU.

4 CHAIRMAN KLEIN: THANK YOU VERY MUCH.
5 ADDITIONAL PUBLIC COMMENT.

6 MS. FOGEL: MY NAME IS SUSAN FOGEL. I'M HERE
7 REPRESENTING THE PRO CHOICE ALLIANCE FOR RESPONSIBLE
8 RESEARCH. WE ARE A COALITION OF ADVOCATES, SCIENTISTS,
9 HEALTH PROFESSIONAL ACADEMICS, INCLUDING THE CALIFORNIA
10 NURSES ASSOCIATION, THE CALIFORNIA BLACK WOMEN'S HEALTH
11 PROJECT, THE NATIONAL WOMEN'S HEALTH NETWORK, ALL OF US
12 WHO SUPPORT EMBRYONIC STEM CELL RESEARCH, AND WE'RE
13 WORKING TO PROMOTE RESPONSIBLE RESEARCH IN THE FIELDS
14 OF GENETICS AND REPRODUCTION FROM AN ABORTION RIGHTS
15 PERSPECTIVE. I WANTED TO MAKE SURE THAT WAS VERY CLEAR
16 WHERE WE COME FROM.

17 I WANTED TO TALK ABOUT, AS A MEMBER OF THE
18 PUBLIC, WE THINK OF OURSELVES AS THE VENTURE
19 CAPITALISTS OF THIS EFFORT, THE REAL IMPORTANCE OF VERY
20 STRONG CONFLICT OF INTEREST REGULATIONS AND MAKING SURE
21 THAT PEOPLE DON'T PROFIT. MR. SHEEHY SUGGESTED THAT
22 PEOPLE DON'T GET RICH FROM THIS RESEARCH, BUT WE KNOW
23 THAT THEY DO. MANY OF YOU THAT REPRESENT INSTITUTIONS
24 THAT ARE NOT PROFIT INSTITUTIONS, YOUR RESEARCHERS ON
25 YOUR INSTITUTIONS PARTNER WITH FOR-PROFIT INSTITUTIONS,

1 DEVELOP TREATMENTS, TESTS, MEDICATIONS FOR WHICH
2 INDIVIDUALS MADE MILLIONS AND MILLIONS OF DOLLARS WHILE
3 THEY'RE STILL WORKING AT NONPROFIT INSTITUTIONS.

4 SO WE WANT TO MAKE SURE AS THE PUBLIC
5 INVESTORS THAT THAT ISN'T WHAT'S GOING TO HAPPEN HERE.
6 AND THE MOST IMPORTANT PART ABOUT THAT IS MANY TIMES
7 THESE TESTS OR MEDICATIONS OR TREATMENTS ARE THEN
8 UNAFFORDABLE TO THE PUBLIC AND CERTAINLY ARE NOT
9 GOVERNED BY PUBLIC PROGRAMS. THINGS LIKE THE BREAST
10 CANCER, THE TESTS FOR A BREAST CANCER GENE, FOR WHICH
11 MOST WOULDN'T GET THE TEST.

12 SO THE CONFLICT OF INTEREST RULES MAKE SURE
13 THAT NOT ONLY NONE OF YOU PERSONALLY GET RICH FROM THIS
14 FUNDING, AND I'M CONCERNED THAT THE LIMITATIONS THAT
15 YOU NOW OR MAYBE THE EXCEPTION THAT MAY SWALLOW THE
16 RULE THAT BASICALLY ANYBODY WHO IS EITHER AN ALTERNATE
17 OR SERVES ON THE ICOC CAN PRETTY MUCH DO ANYTHING
18 RELATED TO A GRANT OTHER THAN BE A KEY INVESTIGATOR.
19 AND THAT LEADS TO BOTH PERSONAL AND INSTITUTIONAL
20 CONFLICTS.

21 AS MEMBERS OF THE PUBLIC, THAT'S OUR
22 PERCEPTION, AND WE'RE CONCERNED THAT THAT COULD BE THE
23 REALITY.

24 THE LAST THING I WANT TO JUST MENTION IS IT
25 SEEMS TO ME THAT THE WORD "PUBLIC HEARING" IS BEING

1 USED IN A VERY CONFUSING WAY. A PUBLIC MEETING IS NOT
2 A PUBLIC HEARING. WE AS MEMBERS OF THE PUBLIC, YES, WE
3 CAN HAVE A MINUTE OR TWO. YOU DON'T HAVE TO REALLY
4 LISTEN TO US. YOU DON'T HAVE TO RESPOND TO OUR
5 COMMENTS. WE APPRECIATE THE OPPORTUNITY TO BE HERE AND
6 HAVE SOMETHING TO SAY, AND WE HOPE THAT YOU WILL BE
7 LISTENING AND PAYING ATTENTION TO OUR COMMENTS. BUT A
8 PUBLIC HEARING IMPOSES AN OBLIGATION ON THE GOVERNING
9 BODY TO LISTEN TO ALL THE COMMENTS, AND THEN TO
10 FORMALLY RESPOND TO THEM. AND SO WE HOPE THAT YOU WILL
11 MAINTAIN YOUR COMMITMENT TO FULL PUBLIC HEARINGS ON ALL
12 THESE OF ISSUES AS THEY ARISE IN THE CONTEXT OF THE
13 REGULATIONS THAT WILL BE PROMULGATED. THANK YOU.

14 CHAIRMAN KLEIN: THANK YOU VERY MUCH. AND.
15 AS YOU KNOW, IN ADDITION TO THE PUBLIC HEARINGS AND
16 PUBLIC MEETINGS WE MAY HAVE AS WE PROCEED, AFTER THE
17 INTERIM REGULATIONS ARE ADOPTED, WE'RE REQUIRED BY
18 STATUTE -- BY PROPOSITION 71 TO HAVE PUBLIC HEARINGS
19 WITH FULL ADMINISTRATIVE PROCEDURES ACT PUBLICATION,
20 COMMENT PERIODS, AND PUBLIC HEARINGS FOLLOWING THE
21 ADMINISTRATIVE PROCEDURES ACT BEFORE WE CAN ADOPT
22 ANYTHING, AND THEN IT WILL BE BROUGHT BACK TO THE BOARD
23 AFTER THE PUBLIC HEARING FOR FINAL ADOPTION.

24 THERE'S ONE PROCESS HERE FOR SAFEGUARDS,
25 MULTIPLE LEVELS OF SAFEGUARDS, AND PUBLIC HEARINGS AS

1 WELL AS PUBLIC MEETINGS. BUT YOUR POINT IS VERY WELL
2 TAKEN.

3 ANY ADDITIONAL PUBLIC COMMENT?

4 UNIDENTIFIED SPEAKER: I'M LOOKING AT THE WAY
5 YOU'RE PUTTING FORWARD THERE IN A WAY THAT MAY SORT OF
6 NARROWS. I REALIZE THAT THERE MAY BE (UNINTELLIGIBLE)
7 HOW ARE YOU USING THIS WORD OR THAT WORD. SO I'M
8 WONDERING WHAT KIND OF PROCESS YOU WANT TO PUT IN PLACE
9 TO DEAL WITH THINGS THAT YOU MAY HAVE NOT COVERED WHILE
10 LAYING DOWN THE WORDING RIGHT NOW. WHAT PROCESS YOU'RE
11 GOING TO MOVE -- QUESTIONS ABOUT THAT ONE, VIOLATIONS,
12 ET CETERA, ET CETERA. SO I'M SUGGESTING THAT IF YOU
13 HAVE SOME TYPE OF PROCESS RIGHT NOW, THAT ALL QUESTIONS
14 WILL BE REFERRED TO THAT ICOC MEETING, ET CETERA, ET
15 CETERA, THAT WILL PROBABLY GET AROUND SOME OF THE
16 ISSUES THAT ARE COMING UP RIGHT NOW, PARTICULARLY WITH
17 RESPECT TO LEGAL DEFINITIONS. WHAT REASONABLY
18 FORESEEABLE MEANS, WHAT KEY PERSON MEANS, ET CETERA, ET
19 CETERA.

20 CHAIRMAN KLEIN: THANK YOU VERY MUCH. I
21 SUGGESTED A PROCESS THAT WHETHER OR NOT WE MOVE FORWARD
22 ON THE POLICY TODAY, WE GO ON THE STANDARDS COMMITTEE
23 ON THOSE PUBLIC HEARINGS TO FURTHER DEFINE THESE TERMS
24 TO MAKE CERTAIN THAT WHAT REFINEMENTS ARE NECESSARY ARE
25 THOUGHTFULLY CONSIDERED IN PUBLIC HEARING AND BROUGHT

1 BACK TO THIS BOARD.

2 ANY ADDITIONAL PUBLIC COMMENT? YES.

3 MS. DEVEREAUX: MARY DEVEREAUX, UCSD. JUST
4 ANOTHER SUGGESTION TO THE COMMITTEE, ALTHOUGH I
5 HESITATE TO BRING UP NO. 8. I TAKE FROM THE WAY THIS
6 IS WRITTEN THAT THERE'S SOMETHING IN THE LAW THAT
7 INDICATES THAT THE PATIENT ADVOCATES ON THE ICOC ARE
8 NOT IN VIOLATION OF THE CONFLICT OF INTEREST POLICY IF
9 THEY ADVOCATE FOR THEIR PARTICULAR PATIENT POPULATION.
10 IN THE FULL TEXT OF THIS, I'M WONDERING IF THE
11 COMMITTEE MIGHT WANT TO CONSIDER THAT THERE MAY BE A
12 PERCEPTION OF CONFLICTS OF INTEREST BOTH IN TERMS OF,
13 SAY, SOMEBODY ADVOCATING FOR JUVENILE DIABETES AS
14 OPPOSED TO CERTAIN OTHER DISEASE GROUPS, BUT IN A CASE
15 PARTICULARLY WHICH IS MENTIONED HERE, SOMEBODY ON THE
16 ICOC WHO HAS A FAMILY MEMBER, I WONDER IF THE COMMITTEE
17 MIGHT WANT TO THINK SOME ABOUT WHY IT'S A CONFLICT OF
18 INTEREST FOR SOMEBODY FROM STANFORD TO ADVOCATE ON
19 BEHALF OF STANFORD AND NOT SOMEBODY ON THE COMMITTEE TO
20 ADVOCATE, SAY, FOR JUVENILE DIABETES WHERE THEIR SON OR
21 DAUGHTER HAS THAT DISEASE.

22 I THINK THERE IS SOME DIFFERENCE, BUT I WAS
23 WONDERING IF THE COMMITTEE WANTS TO GIVE SOME THOUGHT
24 TO THAT IN PARTICULAR.

25 CHAIRMAN KLEIN: APPRECIATE YOUR COMMENTS. I

1 HEALTHILY DEBATED IT DURING THE CAMPAIGN, THAT
2 SPECIFICALLY, YES, THE INITIATIVE DOES ADDRESS THAT,
3 AND SAYS THAT IF A FAMILY MEMBER HAS A DISEASE, THEIR
4 ADVOCACY AS A PATIENT ADVOCATE ON THE BOARD IS NOT A
5 CONFLICT. BUT I WOULD REMIND EVERYONE OF DR. LEVEY'S
6 COMMENTS. WE ARE ALL HERE REGARDLESS OF WHETHER WE
7 COME FROM AN INSTITUTION OR PATIENT GROUP OR A COMPANY
8 TO REPRESENT STEM CELL RESEARCH FOR THE STATE OF
9 CALIFORNIA. AND I HOPE WE ALL TAKE THAT IN ABSOLUTELY
10 FOCUSED CONCENTRATION IN REPRESENTING ANY POSITION.

11 NOW, IN FACT, THERE IS GREAT SYNERGY BETWEEN
12 THIS RESEARCH. LAST YEAR AND A HALF AGO, THERE WAS
13 PANCREATIC CANCER RESEARCH THAT HAD A GREAT BENEFIT
14 THAT TURNED OUT, NOT FOR PANCREATIC CANCER, BUT FOR
15 JUVENILE DIABETES. THERE'S A TREMENDOUS SYNERGY HERE
16 IN REALLY SUPPORTING THE BEST SCIENCE AND THE BEST
17 RESEARCH. AND HAVING THAT BE OUR COMMANDING POINT OF
18 REFERENCE, WE WILL MOVE THE FIELD FORWARD AND THE
19 UNDERSTANDING THAT WOULD LEAD DOWNSTREAM TO CURING MANY
20 DISEASES.

21 ADDITIONAL PUBLIC COMMENT?

22 MR. GOMEZ: GOOD MORNING. MY NAME IS
23 (INAUDIBLE) GOMEZ AND A COMMUNITY VOLUNTEER FOR THE ALS
24 ASSOCIATION, MORE COMMONLY KNOWN AS THE LOU GEHRIG'S
25 DISEASE ASSOCIATION OF GREATER LOS ANGELES. FIRST OF

1 ALL, I'D LIKE TO THANK THE COMMITTEE FOR THE WORK
2 THEY'RE EMBARKING ON. AND I THINK -- I WAS THINKING
3 ABOUT THIS, AND I DON'T THINK THAT THE MEMBERS OF THE
4 COMMITTEE, WHILE THEY HAVE, I'M SURE, DIFFERENT REASONS
5 FOR BEING PART OF THE COMMITTEE, I DON'T THINK THAT THE
6 REASON FOR YOU BEING ON THE COMMITTEE IS FOR FINANCIAL
7 GAIN.

8 SO THAT BEING SAID, ONE OF THE THINGS, IF
9 YOUR CONCERN IS THAT THE PUBLIC NEEDS TO UNDERSTAND
10 THAT THERE IS A HIGH DEGREE OF NONPARTIALITY AND
11 OBJECTIVITY IN THE DECISIONS THAT YOU ARE MAKING IN
12 TERMS OF GRANTING FUNDS, THEN A SUGGESTION WOULD BE TO
13 MAKE THE DECISION-MAKING PROCESS TRANSPARENT TO THE
14 PUBLIC AND COMMUNICATE THAT TO THE PUBLIC.

15 MY SECOND POINT WAS THAT WHAT YOU'RE TRYING
16 TO DO IN ARTICULATING ITEMS WHICH WILL SHOW THAT YOU
17 ARE INDEED NONPARTIAL AND OBJECTIVE IS LAUDABLE. IT'S
18 GOING TO BE VERY DIFFICULT. IN MY FORMER LIFE I WAS AN
19 EMPLOYEE WITH A PHARMACEUTICAL FOR NINE YEARS, AND I
20 KNOW THERE ARE MANY WAYS, FINANCIAL AND OTHERWISE, THAT
21 INDIVIDUALS AND ORGANIZATIONS CAN BE INFLUENCED TO
22 PURSUE THE INTERESTS OF WHATEVER ENTITY IS EMBARKING ON
23 ACHIEVING -- OR INFLUENCING THAT.

24 SO WHILE YOU'RE TRYING TO BE VERY ARTICULATE
25 IN TERMS OF WHAT YOU CAN AND CANNOT DO, I THINK THAT

1 YOU'RE ALSO BECOMING HAMSTRUNG WHAT YOU'RE ON THE
2 COMMITTEE TO DO.

3 SO FOR EXAMPLE, IF YOU'RE A RESEARCHER, IF
4 YOU'RE GOING TO RECUSE YOURSELF FROM TAKING PART IN THE
5 PROCESS, THEN I THINK PEOPLE THAT MAY POTENTIALLY
6 BENEFIT FROM STEM CELL RESEARCH MAY NOT GET THE FULL
7 ADVANTAGE OF THE PROFESSIONAL SKILLS THAT ARE
8 REPRESENTED ON THE COMMITTEE. THANK YOU VERY MUCH FOR
9 YOUR TIME.

10 CHAIRMAN KLEIN: THANK YOU VERY MUCH. IS
11 THERE ADDITIONAL PUBLIC COMMENT? DR. HALPERN -- MR.
12 HALPERN.

13 MR. HALPERN: THANK YOU, MR. CHAIRMAN. THANK
14 YOU, COMMITTEE, FOR THIS OPPORTUNITY TO SPEAK TO YOU.
15 AS YOU KNOW, DR. PHILLIP LEE AND I SUBMITTED A PETITION
16 FROM THE LAST MEETING CALLING ON YOU TO ADDRESS THIS
17 CONFLICT OF INTEREST ISSUE. AND I APPRECIATE THE
18 SERIOUS ATTENTION IT'S GETTING FROM THE COMMITTEE AT
19 THIS MEETING.

20 I AM, HOWEVER, DISAPPOINTED AT THE FORMAT
21 YOU'VE ADOPTED. I WAS QUITE SURPRISED TO COME TO THE
22 MEETING TODAY AND FIND THAT THE 25 PAGES OR SO THAT
23 WERE CIRCULATED WAS MADE AVAILABLE TO THE PUBLIC
24 YESTERDAY AND ON THE NIGHT BEFORE. THEY WERE SUPPOSED
25 TO BE VOTED ON TODAY. THAT'S NOT AN ACCEPTABLE PERIOD

1 OF REFLECTION FOR MEMBERS OF THE COMMITTEE OR FOR THE
2 PUBLIC TO TAKE SERIOUSLY THESE EXTREMELY COMPLICATED
3 AND EXTREMELY SIGNIFICANT ISSUES.

4 SO THE FIRST POINT I WANT TO MAKE IS TO
5 SUPPORT MRS. SAMUELSON'S SUGGESTION. THERE SHOULD BE
6 NO VOTE TODAY. I LOOKED OVER THESE PROPOSALS WITH
7 GREAT CARE. ADMINISTRATIVE LAW IS MY BUSINESS, AND I
8 FIND THAT THEY ARE A VERY GOOD FIRST DRAFT. THE
9 CONFLICTS AMONG THE DIFFERENT PIECES HAVE TO BE WORKED
10 THROUGH. SOME OF THE ISSUES YOU'VE RAISED TODAY HAVE
11 TO BE DISCUSSED AND WORKED THROUGH.

12 I FIND MYSELF IN AGREEMENT WITH MANY OF YOUR
13 COMMENTS AND SHARP DISAGREEMENT WITH OTHERS. BUT THE
14 PROCESS WOULD BENEFIT IF WE HAVE THE OPPORTUNITY FOR
15 THAT KIND OF EXCHANGE. AND WRITING, IF NECESSARY, THE
16 MATERIALS COMING FROM YESTERDAY, OR PREFERABLY IDEALLY
17 THROUGH A GENUINE HEARING PROCESS WHERE PEOPLE ARE NOT
18 LIMITED TO 180 SECONDS. NOW, THOSE ARE COMMENTS ABOUT
19 THE PROCEDURAL QUESTION THAT MS. SAMUELSON RAISED.

20 I'D LIKE TO SAY A FEW THINGS ABOUT THE
21 PROPOSED ICOC CONFLICT STANDARDS. FIRST, I WOULD NOTE
22 WHAT ISN'T HERE. AND THAT IS DR. LEE'S AND MY
23 PETITION. IT'S NOT IN YOUR BOARD BOOKS; IT'S NOT BEEN
24 DISCUSSED OR REFERRED TO BY ANYONE. I JUST WANT TO SAY
25 THAT THAT IS AN ISSUE BEFORE THIS COMMITTEE. I'VE BEEN

1 LED TO BELIEVE THAT THAT WAS GOING TO BE ONE OF THE
2 ISSUES THAT WAS UNDER CONSIDERATION AT THIS MEETING.

3 DR. LEE AND I HAVE SUGGESTED AN APPROACH
4 WHICH SUGGESTS THAT WE FOCUS ON THE LEADERSHIP
5 POSITIONS WITHIN THE ICOC, THE PRESIDENT, THE CHAIR,
6 THE VICE CHAIR, THE ACTING PRESIDENT. THOSE ARE PEOPLE
7 WHO SET THE MORAL TONE FOR THIS ORGANIZATION. WE'VE
8 SUGGESTED THAT THEIR POSITION IS MOST ANALOGOUS TO THE
9 PEOPLE IN LEADERSHIP POSITIONS AT THE NATIONAL
10 INSTITUTES OF HEALTH AND THAT THE NIH STANDARDS, WHICH
11 REQUIRE THAT PEOPLE IN SUCH POSITIONS FOREGO INCOME
12 FROM GRANTEE ORGANIZATIONS BASICALLY AND COMMERCIAL
13 INSTITUTIONS AND TO ALSO FOREGO INVESTMENT IN
14 BIOMEDICAL SCIENCE.

15 I KNOW THAT THIS IS A CONTROVERSIAL APPROACH
16 IN WASHINGTON AND CERTAINLY AMONG MEMBERS OF THIS
17 COMMITTEE. NONETHELESS, IT IS THE GOLD STANDARD. IT
18 IS THE GOLD STANDARD IN CONFLICT OF INTEREST IN
19 AMERICA. IF YOU WANT TO KNOW HOW THE PUBLIC PERCEPTION
20 OF THESE INTERESTING BUT SIGNIFICANTLY LAXER CONFLICT
21 OF INTEREST STANDARDS LOOKS TO THE PUBLIC, IT LOOKS
22 LIKE SECOND BEST. THIS IS NOT GOLD STANDARD. IT'S
23 SOME DIFFERENT STANDARD. THAT WAS A BASIC FACT.

24 TO SPEAK BRIEFLY ABOUT SOMETHING ELSE --
25 CHAIRMAN KLEIN: DR. HALPERN, I BELIEVE THAT

1 YOU'VE USED YOUR TIME. AND WE DO HAVE THE BENEFIT OF
2 YOUR PETITION WHICH WAS DISTRIBUTED PREVIOUSLY TO THE
3 PUBLIC AND TO ALL MEMBERS HERE ON THE BOARD.

4 MR. HALPERN: THIS PROCESS, MR. CHAIRMAN, IS
5 NOT WELL SERVED BY NOT EVEN ALLOWING THE PUBLIC TO TALK
6 ABOUT SPECIFIC PARAGRAPHS, WHICH HAVE NOT BEEN
7 DISCUSSED. THEY HAVEN'T BEEN DISCUSSED AT ALL. THEY
8 HAVE MAJOR SIGNIFICANCE. I'D LIKE YOU TO PUT IT TO A
9 VOTE IF MRS. SAMUELSON --

10 CHAIRMAN KLEIN: THANK YOU. I WOULD ALSO POINT
11 OUT THAT I APPRECIATE YOUR COMMENTS. THE ITEM BEFORE
12 YOU WAS DISTRIBUTED AT THE LAST BOARD MEETING. SO
13 PEOPLE HAVE HAD THIS FOR MORE THAN 30 DAYS. IT HAS NOT
14 JUST BEEN AVAILABLE TODAY. BUT I WOULD ALSO POINT OUT
15 THAT WE ARE STRUGGLING, AS YOU KNOW, TO HIRE MORE
16 STAFF. UNTIL WE KNOW OUR PERMANENT SITE, IT IS
17 DIFFICULT TO HIRE SUFFICIENT STAFF. IT'S OUR GOAL TO
18 ACTUALLY GET MATERIALS OUT MUCH EARLIER. AND WE WOULD
19 BENEFIT IF YOU WOULD DELIVER YOUR PETITIONS AND LETTERS
20 TO THE INSTITUTE MORE THAN 24 HOURS IN ADVANCE.
21 GETTING THEM LATE YESTERDAY AFTERNOON IS VERY DIFFICULT
22 FOR US BECAUSE WE CAN'T SUBSTANTIVELY REVIEW YOUR
23 PETITIONS.

24 YOU DO RAISE SOME VERY GOOD POINTS THAT WE'RE
25 TRYING TO CONSIDER INCORPORATING, BUT GETTING THEM

1 EARLIER WOULD BE A BENEFIT.

2 MR. HALPERN: I FILED NO PETITIONS YESTERDAY.

3 CHAIRMAN KLEIN: WE APPRECIATE YOUR LETTERS
4 FROM YESTERDAY. I THINK THAT BOTH OF US, THE INSTITUTE
5 AND YOURSELF, WOULD BENEFIT BY GETTING THE MATERIALS
6 OUT EARLIER, WHICH WE WILL ALL STRIVE TO DO.

7 MR. HALPERN: I DIDN'T SUBMIT ANYTHING.

8 CHAIRMAN KLEIN: OKAY. JESSE REYNOLDS, IT'S
9 OUR UNDERSTANDING THAT HE'S WORKING WITH. PERHAPS
10 THAT'S INCORRECT.

11 IN ANY CASE -- YES, MR. SHESTACK.

12 MR. SHESTACK: I WOULD SUGGEST IF WE ARE
13 TRYING TO VOTE ON THIS, THAT ACTUALLY WE EXTEND MR.
14 HALPERN THE COURTESY OF AN EXTRA THREE MINUTES TO TELL
15 US WHAT HIS SPECIFIC POINTS OF CONTENTION ARE WHERE HE
16 THINKS WE HAVE, PERHAPS, NOT REACHED THE GOLD STANDARD
17 AND BE AS BRIEF AND SPECIFIC AS POSSIBLE. SINCE WE ARE
18 ALL HERE, I'M NOT EAGER TO BE HERE FOR A THIRD TIME IN
19 THE MONTH OF MAY, I WOULD SUGGEST THAT WE GET THE
20 BENEFIT OF HIS THOUGHTS NOW IF THAT WOULD BE OKAY WITH
21 THE BOARD.

22 CHAIRMAN KLEIN: THE CHAIR TAKES THE
23 SUGGESTION. MR. HALPERN HAS ANOTHER THREE MINUTES TO.
24 DISCUSS HIS SPECIFIC POINTS.

25 MR. SHESTACK: THAT'S FOUR.

1 MR. HALPERN: THANK YOU, MR. SHESTACK. IF
2 THERE WERE TIME FOR A SERIOUS DEBATE AND DISCUSSION ON
3 THIS, I WOULD START WITH -- FIRST OF ALL, I WANT TO
4 AGREE WITH THOSE WHO PUT FORWARD THESE AMENDMENTS.

5 WITH REGARD TO PARAGRAPH 2, THERE IS A
6 STRIKING LIMITATION TO A SINGLE TYPE OF DECISION, THAT
7 IS A DECISION REGARDING A GRANT, LOAN, OR CONTRACT WITH
8 THEIR EMPLOYER. I WOULD SUGGEST ADDING OR ANY OTHER
9 DECISION THAT AT THE ICOC MAKES WHICH BENEFITS THEIR
10 EMPLOYER SIGNIFICANTLY.

11 I WON'T GIVE REASONS FOR THAT, BUT I WOULD BE
12 HAPPY TO IF THERE WERE TIME.

13 IN NO. 4, IF IT'S REASONABLY FORESEEABLE THAT
14 THE DECISION WILL HAVE A MATERIAL FINANCIAL EFFECT,
15 THIS APPLIES ONLY TO MATERIAL FINANCIAL EFFECT, ON A
16 PARTICULAR PERSON OR MEMBERS OF HIS FAMILY. I WOULD
17 ADD OR HIS EMPLOYER BECAUSE THE CONFLICT OF INTEREST
18 OBVIOUSLY IS REFLECTED IN IF THERE'S A MATERIAL
19 FINANCIAL EFFECT ON THE EMPLOYER.

20 THE LAST POINT I WILL MAKE, PERHAPS YOU SAW
21 THE FOOTNOTE, HAS ALREADY BEEN DISCUSSED AD NAUSEAM,
22 BUT I WOULD LIKE TO SUGGEST THAT THE FOOTNOTE IS
23 MISPLACED. THAT INSTEAD, THE FORMER LANGUAGE WHICH WAS
24 BEFORE THE GROUP LAST MONTH SHOULD BE RESTORED, WHICH
25 SAID THAT MEMBERS OF THE ICOC SHALL NOT ASSIST IN THE

1 PREPARATION OF AN APPLICATION FOR A GRANT, LOAN, OR
2 CONTRACT FROM THE ICOC.

3 LATER ON IN THE MATERIALS WHICH ARE TO BE
4 VOTED ON LATER TODAY, I SUPPOSE, IN APPENDIX E, IN
5 APPENDIX E IT STATES THAT THE GOAL OF THESE STANDARDS
6 IS THAT WE DO NOT WANT TO APPEAR TO CREATE AN UNFAIR
7 ADVANTAGE FOR ANY INSTITUTION. IT SEEMS TO ME THAT
8 HAVING THE MEMBERS OF THE ICOC GO BACK INTO THAT
9 INSTITUTION WITH THE PRIVILEGED INFORMATION THEY
10 GATHERED IN THIS ROOM, PARTICULARLY THE INFORMATION
11 THEY GATHER IN THE EXECUTIVE SESSIONS, AND SHARE THAT
12 WITH THEIR FACULTY MEMBERS AND HELP THEIR FACULTY
13 MEMBERS TO SHAPE THE APPLICATION, FOR EXAMPLE, NOT A
14 RESEARCH GRANT, BUT LET'S TALK ABOUT A CENTER OF
15 EXCELLENCE GRANT OR SOMETHING WHERE PEOPLE WHO HAVE
16 THIS PRIVILEGED KNOWLEDGE WHICH WAS ADEQUATELY AND
17 ACCURATELY DESCRIBED BY SOMEONE ON THIS GROUP, YOU
18 PEOPLE HAVE AN ENORMOUS ADVANTAGE. AND YOUR
19 INSTITUTIONS HAVE THE ADVANTAGE OF YOUR PARTICIPATION.

20 MY SUGGESTION IS THAT YOU ARE ALL MEMBERS OF
21 INSTITUTIONS THAT HAVE VERY LARGE AND SKILLFUL STAFFS.
22 AND IN REGARD TO PREPARATION OF APPLICATIONS, THE ICOC
23 OR THE CIRM, THOSE STAFFS SHOULD HAVE TO OPERATE
24 WITHOUT THE DIRECTION OF THEIR CHIEF.

25 CHAIRMAN KLEIN: THANK YOU VERY MUCH. I

1 WOULD LIKE TO CALL ON DR. FRIEDMAN, AND I'D LIKE TO
2 POINT OUT THAT EMPLOYER IS ALREADY EXPRESSLY DEFINED IN
3 THE POLITICAL REFORM ACT IN GREAT DETAIL. AND I HAVE
4 ASKED COUNSEL TO PROVIDE THAT INFORMATION TO BOARD
5 MEMBERS AND PROVIDE IT TO THE PUBLIC AT THE NEXT
6 MEETING. ACTUALLY PUT IT ON OUR WEBSITE.

7 DR. FRIEDMAN AND THEN WE HAVE ONE ADDITIONAL
8 MEMBER OF THE PUBLIC.

9 DR. FRIEDMAN: I THINK I'D LIKE TO HAVE THE
10 PUBLIC COMMENT FIRST.

11 CHAIRMAN KLEIN: YES. GO AHEAD.

12 MS. TOMPKIN: MY NAME IS HEATHER TOMPKIN.
13 I'M A PH.D. CANDIDATE AT PRINCETON UNIVERSITY. I
14 APOLOGIZE IN ADVANCE. I'M A BIT SICK. BUT I WANTED TO
15 MAKE ONE POINT FIRST ABOUT THE ORGANIZATIONAL CHART.
16 I'M NOT SURE HOW THIS IS STRUCTURED AS FAR AS THE
17 STANDARDS WORKING GROUP GOES, BUT I WAS WONDERING IF
18 THERE WOULD BE ROOM FOR AN ETHICS BOX, OR IF THAT HAS
19 BEEN CONSIDERED TO HAVE SOME KIND OF STAFF THAT WOULD
20 ADDRESS THAT.

21 CHAIRMAN KLEIN: CERTAINLY. IF I CAN TAKE
22 YOUR COMMENTS LATER, WE'RE ACTUALLY NOT ON THAT AGENDA
23 ITEM. WE DO HAVE A MANDATED UNDER THE INITIATIVE
24 REQUIRED ETHICS OFFICER. WE WILL PICK YOUR COMMENT UP
25 AT THE GENERAL SESSION AT THE END OF THE DAY.

1 MS. TOMPKIN: SO SPECIFICALLY I AGREE THAT
2 CONFLICT OF INTEREST SHOULD NOT BE LIMITED TO FINANCIAL
3 GAIN. I THINK THAT THE INFORMED KNOWLEDGE THAT THE
4 COMMITTEE HAS IS ALSO A BENEFIT. ALSO, I DISAGREE WITH
5 THE FACT THAT THE ICOC IS ACTUALLY, I GUESS, MAKING UP
6 ITS OWN CONFLICT OF INTEREST POLICY. I THINK I SEE
7 THAT AS A CONFLICT OF INTEREST IN ITSELF, AND MAYBE
8 SUGGEST THAT YOU CONSULT WITH AN OUTSIDE COMPANY OR
9 SOMEONE WHO IS MORE VERSED IN CONFLICT OF INTEREST.

10 CHAIRMAN KLEIN: THANK YOU. DR. FRIEDMAN.

11 DR. FRIEDMAN: I WOULD LIKE TO RESPOND VERY
12 BRIEFLY TO A NUMBER OF THE VERY GOOD POINTS THAT WERE
13 MADE. IT'S BEEN A NUMBER OF YEARS SINCE I WAS A GRANTS
14 OFFICER AT NIH. DR. HALL AND OTHERS HAVE HAD MORE
15 RECENT EXPERIENCES AND CAN CERTAINLY SPEAK TO THAT.

16 I THINK IT'S A LITTLE DANGEROUS FOR PUBLIC
17 COMMENT ABOUT PICKING A GOLD STANDARD WHEN, IN FACT,
18 THERE ARE MANY GOLD STANDARDS. AND IN SOME OF THE
19 POSITIONS THAT WERE ARTICULATED TODAY, IF WE'RE
20 STRIKING A STANDARD, IT'S A PLATINUM STANDARD.

21 SOME OF THE CONFLICTS THAT HAVE BEEN RAISED,
22 ESPECIALLY BY MR. HALPERN RECENTLY, IN FACT, WOULD NOT
23 BE CONSIDERED UNDER A CURRENT NIH POLICY REGARDING A
24 CANDIDATE. THIS WOULD BE. SO I THINK THAT WHAT THIS
25 COMMITTEE IS DOING, WHICH IS TRYING TO PICK THE BEST,

1 MOST APPROPRIATE STANDARDS, IS A PERFECTLY LEGITIMATE
2 AND REASONABLE THING.

3 IF YOU SERVED ON A STUDY SECTION FOR NIH,
4 YOU WOULD BE ABLE TO TAKE THAT INFORMATION ABOUT HOW TO
5 BEST ARTICULATE A GRANT APPLICATION BACK TO YOUR
6 INSTITUTION. IF YOU SERVED ON A STUDY SECTION OR AN
7 ADVISORY BOARD, YOU WOULD BE ABLE TO APPLY FOR A GRANT
8 AND BE A FUNDED INVESTIGATOR. THESE ARE DIFFERENCES,
9 AND WE'RE STRIKING IN THIS SENSE, I THINK, A MORE
10 STRINGENT, A MORE STRICT STANDARD, AND THAT'S MUCH TO
11 THE CREDIT OF THE INDIVIDUALS WHO ARE HERE. THANK YOU.

12 CHAIRMAN KLEIN: THANK YOU VERY MUCH.

13 DR. PIZZO.

14 DR. PIZZO: I WANTED TO FOR THE RECORD MAKE.
15 A COMMENT WITH REGARD TO THE GOLD STANDARD ISSUE AS
16 WELL. HAVING BEEN A MEMBER OF THE NIH COMMUNITY AS AN
17 INTRAMURAL INVESTIGATOR FOR 23 YEARS AND HAVING MORE
18 RECENTLY SERVED ON THE OVERSIGHT PANEL THAT LOOKED AT
19 CONFLICT OF INTEREST AT THE NIH AND NOW WITNESS WHAT'S
20 HAPPENED HERE, I WOULD NOT WANT TO CALL THE CURRENT NIH
21 ACTIVITIES ON CONFLICT OF INTEREST THE BOARD STANDARD.
22 I THINK IT HAS CREATED SOME ABSOLUTE CHAOS, IN FACT,
23 THAT'S BEEN CAUSED BY THE RIGIDITY OF THOSE STANDARDS.
24 AND I WOULD STRONGLY ENCOURAGE US NOT TO GO DOWN THAT
25 PATHWAY.

1 IN FACT, I THINK, THAT OUR PANEL, THIS MAY
2 SOUND SELF-SERVING, ACTUALLY CAME UP WITH SOME VERY
3 CREDIBLE STANDARDS THAT WE LOOKED AT, BUT NOT THE
4 CURRENT NIH CONSTRUCT.

5 CHAIRMAN KLEIN: OKAY. THANK YOU. JON.
6 SHESTACK.

7 MR. SHESTACK: POINT OF QUESTION. THESE
8 STANDARDS, ARE THEY NOT SUPPOSED TO BE OUR INTERIM
9 STANDARDS?

10 CHAIRMAN KLEIN: INTERIM.

11 MR. SHESTACK: THEY ARE INTERIM STANDARDS. I
12 JUST WOULD LIKE -- SOMEBODY SAID NOW WE WERE TO GET A
13 CHANCE TO COME BACK AND TO REFINE THEM. AND THAT WE'RE
14 ALL CHARGED WITH ENSURING THE SUCCESS OF THE INSTITUTE,
15 GETTING TREATMENTS AND CURES OUT TO THE CITIZENS OF
16 CALIFORNIA AND THE COUNTRY AND THE WORLD. IF WE DON'T
17 GET ANY GRANTS OUT, WE WON'T DO IT. AND WE'LL GET A
18 CHANCE TO COME BACK AND DO THIS. I DON'T THINK WE CAN
19 DELAY IT MUCH FURTHER.

20 CHAIRMAN KLEIN: ALL RIGHT. DR. KESSLER.

21 DR. KESSLER: I HOPE THIS IS NOT
22 CONTROVERSIAL AT ALL. IN FACT, I HOPE EVERYONE VIEWS
23 THIS AS TRIVIAL. UNFORTUNATELY, WE HAVE WORDS IN.
24 FRONT OF US. THE WORDS DO HAVE MEANING.

25 I WONDER WHETHER WE COULD MAKE THE FOOTNOTE

1 PARALLEL WITH NO. 1 SO IT SAYS SIGN OFF ON ALL GRANTS,
2 AND AS ONE SAID, ADD LOAN OR CONTRACTS TO THAT.

3 CHAIRMAN KLEIN: YES.

4 DR. KESSLER: AND IF YOU WOULD ALSO
5 CONSIDER -- I NOTICE IT'S NOT LIMITED TO IN THAT
6 LANGUAGE, BUT I THINK FOR THE SAKE OF ALL, WE SHOULD
7 ADD THE WORD "CHANCELLORS."

8 CHAIRMAN KLEIN: EXCELLENT POINT.

9 DR. BALTIMORE: WHILE WE'RE HERE, I THINK
10 WHAT IT MEANS IS OR SIGNS OFF RATHER THAN AND SIGNS
11 OFF.

12 CHAIRMAN KLEIN: IT SHOULD BE AND/OR.

13 DR. BALTIMORE: I DON'T THINK YOU NEED THE
14 AND. YOU WANT OR.

15 CHAIRMAN KLEIN: ALL RIGHT.

16 DR. BALTIMORE: I HAVE A MUCH MORE
17 FUNDAMENTAL QUESTION. I DON'T KNOW WHETHER I SHOULD
18 ASK IT NOW OR LATER.

19 DR. PIZZO: DEPENDS WHAT IT IS.

20 DR. BALTIMORE: NO. 1 AS IT STANDS. BECAUSE
21 NOW NO. 1 SAYS THAT MEMBERS SHALL NOT APPLY FOR GRANTS,
22 CONTRACTS, OR LOANS, AND NOT BE A PRINCIPAL
23 INVESTIGATOR. IF YOU'RE NOT APPLYING FOR IT, HOW CAN
24 YOU BE PRINCIPAL INVESTIGATOR OR A FUNDED RESEARCHER?
25 WHAT WE'VE CREATED IS SOMETHING WHICH IS SIMPLY

1 REDUNDANT AND NOT VERY INFORMATIVE AND I DON'T THINK IS
2 WHAT WE MEANT TO SAY. SO I THINK WHAT WE MEANT, BUT
3 MAYBE I'M WRONG, IS THAT MEMBERS OF THE ICOC SHOULD NOT
4 APPLY FOR -- AND I WOULD ADD -- OR RECEIVE SALARY
5 SUPPORT THROUGH GRANTS, LOANS, OR CONTRACTS FROM THE
6 ICOC. ISN'T THAT WHAT WE WERE DOING?

7 CHAIRMAN KLEIN: DR. BRYANT, DO YOU HAVE A
8 COMMENT?

9 DR. BRYANT: ACTUALLY WITH ALL --

10 DR. BALTIMORE: OR ACT AS PRINCIPAL
11 INVESTIGATOR.

12 DR. BRYANT: -- I MIGHT COMPLAIN.

13 CHAIRMAN KLEIN: THERE IS A MOTION ON THE
14 FLOOR. THE MOTION WAS MADE BY DR. PIZZO. SO, DR.
15 PIZZO, IT IS YOUR DISCRETION.

16 DR. PIZZO: I WILL ACCEPT THE MODIFICATION
17 FROM DR. BALTIMORE. I THINK THE GOAL IS TO TRY AND
18 MAKE THE LANGUAGE AS CLEAR AS WE CAN BOTH FOR OURSELVES
19 BUT IMPORTANTLY FOR THE PUBLIC.

20 DR. BALTIMORE: I CAN READ IT AGAIN. MEMBERS
21 OF THE ICOC SHALL NOT APPLY FOR OR RECEIVE -- I ADDED
22 THAT MYSELF, BUT YOU CAN GET MONEY FOR THINGS YOU DON'T
23 APPLY FOR -- SALARY SUPPORT THROUGH GRANTS, LOANS, OR
24 CONTRACTS, NOR SHALL THEY ACT AS PRINCIPAL
25 INVESTIGATORS IN RESEARCH FUNDED BY THE ICOC.

1 DR. HALL: NOR SHALL THEY ACT AS PRINCIPAL
2 INVESTIGATOR, PERIOD?

3 DR. BALTIMORE: I THINK THAT'S REDUNDANT.

4 DR. HALL: PRINCIPAL INVESTIGATOR, PERIOD.

5 (OVERLAPPING DISCUSSION.)

6 CHAIRMAN KLEIN: HE ENDED IT BY SAYING GRANT,
7 LOAN, OR CONTRACT. DR. PIZZO, THE LANGUAGE AS
8 CORRECTED ON THE SCREEN IS ACCEPTABLE?

9 DR. PIZZO: YES.

10 CHAIRMAN KLEIN: YES, AS WITH THE SECOND.
11 THE LANGUAGE STANDS AS MODIFIED. I'D LIKE TO SEE IF WE
12 CAN CALL THE QUESTION HERE. I'D LIKE TO ASK ALL IN
13 FAVOR? OPPOSED? THE ITEM PASSES.

14 AND THESE WILL BE INTERIM STANDARDS. IN
15 ADDITION, THERE ARE MANY GOOD ISSUES THAT HAVE BEEN
16 RAISED BY MR. HALPERN AND OTHERS WHICH WILL GO TO THE
17 STANDARDS COMMITTEE SPECIFICALLY FOR HEARING AND THEN
18 COME BACK TO THIS COMMITTEE.

19 WE HAVE TO GO TO A CLOSED SESSION AT THIS
20 POINT. THE BOARD WILL GO TO A CLOSED SESSION FOR BOTH
21 THE PRESIDENTIAL SEARCH COMMITTEE TO LOOK AT PERSONNEL
22 ISSUES, AND AS WELL A CLOSED SESSION FOR LITIGATION.

23 WE NEED TO HAVE A TWO-THIRDS VOTE ON THIS
24 BOARD. WE ALREADY HAVE AGENDIZED THE CLOSED SESSION
25 FOR LITIGATION, BUT ALSO TO HAVE A CONCURRENT CLOSED

1 SESSION ON THE PRESIDENTIAL SEARCH COMMITTEE, WE NEED A
2 TWO-THIRDS VOTE ON THIS BOARD. IS THERE A MOTION?

3 DR. HENDERSON: SO MOVED.

4 CHAIRMAN KLEIN: IS THERE A SECOND?

5 DR. PRECIADO: SECOND.

6 CHAIRMAN KLEIN: THERE IS A MOTION AND A
7 SECOND. IS THERE PUBLIC COMMENT ON THAT SPECIFIC ITEM?
8 SEEING NO PUBLIC COMMENT, I'D LIKE TO CALL FOR THE
9 QUESTION. ALL IN FAVOR. OPPOSED?

10 THE PURPOSE OF THAT VOTE IS SINCE WE NEEDED A
11 TWO-THIRDS VOTE BECAUSE OF THE NECESSITY OF MOVING
12 FORWARD ON THE PRESIDENTIAL SELECTION PROCESS IN CLOSED
13 SESSION AS WELL. THE BOARD IS GOING TO BE DOING LUNCH
14 THROUGH THOSE DOORS WHILE WE'RE WORKING. WE HAVE TO
15 MOVE QUICKLY, AND WE'RE GOING TO FIRST COVER THE
16 PRESIDENTIAL ISSUE AND THEN LITIGATION. AND I THANK
17 THE PUBLIC VERY MUCH. WE'RE GOING TO TRY IN
18 APPROXIMATELY AN HOUR AND A HALF, 45 MINUTES, AND THEN
19 RECONVENE. WE WILL MOVE QUICKLY THROUGH THE AGENDA.

20 (THE CLOSED SESSIONS AND A LUNCH RECESS
21 WERE TAKEN.)

22 CHAIRMAN KLEIN: IF WE COULD BRING THE
23 MEETING TO ORDER, IT WOULD BE GREATLY APPRECIATED.
24 I'D LIKE TO CONVENE THE MEETING. WE HAVE VERY
25 IMPORTANT ITEMS ON THE AGENDA. WHILE I'M WAITING FOR

1 MEMBERS TO RETURN, I'M NOT GOING TO TAKE ACTIONS UNTIL
2 WE GET THOSE MEMBERS TO RETURN, BUT I WOULD LIKE TO SAY
3 FROM THE EXECUTIVE SESSION, WHILE NO ACTIONS WERE
4 TAKEN, IT'S CLEAR THAT A NEW PIECE OF LITIGATION WAS
5 FILED TODAY.

6 WE'RE TRYING TO CONFIRM IF THE ATTORNEYS FOR
7 THE NEW PIECE OF LITIGATION ARE THE RIGHT TO LIFE
8 ORGANIZATION WHERE THE ATTORNEYS FOR THE PRIOR
9 LITIGATION FILED FOR TED COSTA GROUP IN THE SUPREME
10 COURT.

11 WE HAVEN'T SEEN THE LITIGATION, BUT WE HAVE
12 VERY A STRONG COMMITMENT FROM THIS BOARD TO HONOR THE
13 MANDATE OF THE PUBLIC AND MOVE FORWARD. WE WILL
14 PREVAIL. IT IS VERY CLEAR THAT THE PEOPLE FILING THE
15 LITIGATION DO NOT RESPECT THE DEMOCRATIC PROCESS AND
16 THE MANDATE OF 7 MILLION VOTERS. IT IS IMPORTANT, IF
17 THEY WON'T RESPECT THE DEMOCRATIC PROCESS, THAT THEY AT
18 LEAST RESPECT THE SUFFERING OF OVER HALF OF ALL
19 CALIFORNIA FAMILIES WHO HAVE A MEMBER WITH AT LEAST --
20 WITH JUST ONE OF SIX DISEASES. AS WE KNOW, CANCER,
21 HEART DISEASE, DIABETES, ALZHEIMER'S, PARKINSON'S, THEY
22 AFFECT HALF OF CALIFORNIA FAMILIES, EITHER A CHILD,
23 SPOUSE, AN AGING PARENT. THESE PEOPLE DESPERATELY NEED
24 RESEARCH TO BE FUNDED, RESEARCH THAT INITIALLY MAY ONLY
25 IMPROVE KNOWLEDGE TO HELP THEM USE A HAND FOR A FEW

1 MORE MONTHS IF THEY HAVE ALS OR ALZHEIMERS.

2 WE WANT TO MOVE RESEARCH FOR THE SUFFERING
3 FORWARD. THIS RESEARCH WAS MANDATED BY THE PEOPLE OF
4 CALIFORNIA. WE SUGGEST IT IS CRITICAL THAT THERE BE
5 REAL UNDERSTANDING BY THE PUBLIC THAT THIS LITIGATION
6 IS INTENDED TO SLOW DOWN OUR PROCESS TO SERVE THE
7 FAMILIES THAT ARE SUFFERING, TO ADVANCE SCIENCE, TO
8 ADVANCE MEDICINE, AND IT IS IN TOTAL DISRESPECT OF THE
9 MANDATE OF THE PUBLIC THAT THESE ARE CRITICAL
10 OBJECTIVES OF THE PEOPLE OF CALIFORNIA.

11 WITH THAT SAID, WE WILL ADVANCE OUR PROCESS
12 BY GOING TO TAB 16. WE WILL WAIT FOR A NUMBER OF
13 MEMBERS TO RETURN BEFORE GOING FORWARD; BUT IF THE
14 PUBLIC OR IF MEMBERS OF THE BOARD COULD LOOK AT ITEM
15 16.

16 I WOULD LIKE JAMES HARRISON, COUNSEL, ALONG
17 WITH THE ATTORNEY GENERAL'S OFFICE, TO PRESENT ITEM 16
18 FOR THE PUBLIC AND THE BOARD. THIS IS THE FIRST PHASE
19 OF ISSUING BONDS FOR THIS INSTITUTION. MR. HARRISON.

20 MR. HARRISON: WHAT YOU HAVE BEFORE YOU IS
21 RESOLUTION NO. 2005-02, WHICH IS A DRAFT RESOLUTION OF
22 THIS BOARD THAT REQUESTS THAT THE FINANCE COMMITTEE
23 ESTABLISHED BY PROPOSITION 71, WHICH IS COMPRISED OF
24 THE TREASURER, THE CONTROLLER, THE DIRECTOR OF FINANCE,
25 THE CHAIR OF THE ICOC, AND TWO MEMBERS OF THIS BOARD

1 APPOINTED BY THE CHAIR OF THE ICOC, HAVE THE AUTHORITY
2 TO AUTHORIZE THE ISSUANCE OF \$3 BILLION WORTH OF BONDS.

3 THE LIMITS OF AUTHORITY ARE A MAXIMUM OF \$350
4 MILLION WORTH OF BONDS CAN BE ISSUED IN ANY ONE
5 CALENDAR YEAR; AND, FURTHERMORE, THE BOND ACTION, PROP
6 71, BEST AUTHORITY TO APPLY TO THE POOLED MONEY
7 INVESTMENT FUND FOR A LOAN OR ADVANCE ON THE BONDS
8 THEMSELVES.

9 WHAT THIS ACT WOULD DO WOULD BE TO FORMALLY
10 REQUEST THAT THE FINANCE COMMITTEE CONVENE AND APPROVE
11 A RESOLUTION AUTHORIZING ISSUANCE OF THE BONDS FOR A
12 TOTAL AMOUNT OF \$3 BILLION OVER 10 YEARS, A MAXIMUM
13 AMOUNT OF 350 MILLION IN ANY CALENDAR YEAR, AND AN
14 INITIAL SALE OF \$200 MILLION. THE RESOLUTION WOULD
15 ALSO AUTHORIZE THE CHAIR, AT THE DIRECTION OF THE ICOC
16 AND IN CONSULTATION WITH THE FINANCE COMMITTEE AND
17 SPECIAL COUNSEL FROM THE ATTORNEY GENERAL'S OFFICE,
18 TO TAKE ALL NECESSARY STEPS IN ORDER TO ACHIEVE THAT
19 OBJECTIVE.

20 I'D BE HAPPY TO ANSWER ANY QUESTIONS ANY.
21 MEMBER HAS.

22 CHAIRMAN KLEIN: I'D LIKE TO POINT OUT HERE
23 THAT THE FINANCE COMMITTEE, AGAIN UNDER THE INITIATIVE,
24 WHICH INCLUDES THE STATE TREASURER, THE CONTROLLER, THE
25 CHAIRMAN OF THE ICOC AND TWO OTHER MEMBERS FROM THE

1 ICOC. SO ALL OF THE STATE'S KEY CONSTITUTIONAL
2 OFFICERS CONCERNED WITH FINANCING OF THE STATE ARE ON
3 THE FINANCE COMMITTEE.

4 ARE THERE QUESTIONS FROM THE BOARD?

5 ARE THERE QUESTIONS FROM THE PUBLIC? YES,
6 MR. HALPERN.

7 MR. HALPERN: I'M CONFUSED BY THIS
8 RESOLUTION, MR. CHAIRMAN. I HAVE IN FRONT OF ME THE
9 BRIEF THAT WAS FILED ON BEHALF OF ICOC IN THE SUPREME
10 COURT OF THE STATE OF CALIFORNIA IN WHICH IT SAYS AND I
11 QUOTE, ABSENT A PROMPT AND FINAL ADJUDICATION OF THE
12 MERITS ON THIS PETITION, THE STATE WILL BE UNABLE TO
13 MARKET THE BONDS.

14 AND THEN IT GOES ON AND THE PARAGRAPH ENDS,
15 AS A PRACTICAL MATTER THE UNRESOLVED CHALLENGE PREVENTS
16 FROM THE STATE FROM ISSUING THE BONDS. THIS WAS THE
17 STATEMENT OF THIS COMMITTEE TO THE CALIFORNIA SUPREME
18 COURT LESS THAN A MONTH AGO. AND I WAS JUST WONDERING
19 WHAT HAS CHANGED THAT PERMITS THE SALE OF THE BONDS
20 EVEN THOUGH CONSTITUTIONAL CHALLENGES ARE PENDING, AT
21 LEAST AS YOU JUST REPORTED AS OF TODAY.

22 CHAIRMAN KLEIN: THANK YOU VERY MUCH,
23 MR. HALPERN. AND I ASSURE THE BOARD I DIDN'T GET
24 MR. HALPERN TO ASK ME THAT QUESTION. THE PROCESS FOR
25 GOING ABOUT AN ISSUING ACTION TO ESTABLISH THE

1 DEFINITIVE RIGHT OF THE INSTITUTE TO SELL ITS BONDS IS
2 INITIATED BY GOING TO THE FINANCE COMMITTEE WITH A
3 REQUEST FOR THE BOND AUTHORIZATION.

4 FINANCE COMMITTEE, IF THEY DETERMINE THAT THE
5 BONDS SHOULD PROCEED BECAUSE OF THE MANDATE FROM THE
6 PUBLIC, THEN MOVES FORWARD, AND THEN THERE IS A BOND
7 VALIDATION ACTION FILED.

8 THE BOND VALIDATION ACTION UNDER THE CIVIL
9 CODE OF PROCEDURE 860 PAGES 60 AND SEQUEL, WHICH I'LL
10 ASK THE COUNSEL TO COMMENT ON, PROVIDES A PRIORITY AS
11 AGAINST OTHER MATTERS ON THE CIVIL CALENDAR OF THE
12 SUPREME COURT. IT ALSO PROVIDES THAT YOU CAN
13 CONSOLIDATE CASES WHEREVER THEY ARE FILED IN THE STATE
14 OF CALIFORNIA, SO IN ONE SINGLE ACTION WE GET A
15 DEFINITIVE RESULT THAT PERMITS A (UNINTELLIGIBLE) AND
16 THOSE BONDS CAN ISSUE.

17 SO THE BOND VALIDATION ACTION WHICH, IN FACT,
18 WAS THE DIRECTION RECEIVED FROM THE SUPREME COURT IS
19 WHAT WE'RE FOLLOWING. THIS IS THE FIRST STEP IN THAT
20 PROCESS, AND WE INTEND TO MOVE FORWARD WITH ALL DUE
21 SPEED.

22 COUNSEL, WOULD YOU LIKE TO COMMENT FURTHER?

23 MR. HARRISON: NO, MR. CHAIRMAN.

24 CHAIRMAN KLEIN: OKAY. ARE THERE ADDITIONAL
25 QUESTIONS? IN FRONT OF MR. HALPERN.

1 MS. FOGEL: HI. SUSAN FOGEL. I JUST WANT TO
2 UNDERSTAND THE MOTION. IT TALKS ABOUT MONEY BEING
3 ADVANCED THROUGH THE POOLED INVESTMENT ACCOUNT. IS
4 THAT SAYING THAT IF THE BONDS CAN'T BE SOLD, THAT THE
5 STATE WILL HAVE TO TAKE OUT OF ITS MONEY THE MONEY TO
6 MOVE THE WORK FORWARD? I'M JUST TRYING TO UNDERSTAND
7 THAT. I THINK THAT WAS AN UNDERSTANDING ON BEHALF OF
8 THE PEOPLE WHO VOTED FOR THE INITIATIVE, THAT THE STATE
9 WOULD NOT HAVE TO SPEND MONEY. SO I JUST WANT TO
10 UNDERSTAND WAS THAT SITUATION -- IS WHAT THAT POOL OF
11 MONEY IS. AND IF IT DOES COME OUT OF SOME OTHER FUNDS,
12 WHAT -- HOW WOULD THAT -- HOW DO WE RETURN THEN WHAT
13 WOULD NOT BE FUNDED IN ORDER FOR THIS TO BE FUNDED? IS
14 THAT -- HOW IS THAT DECISION MADE? SO WHERE WOULD THE
15 MONEY COME FROM IF THE BONDS WERE NOT SOLD?

16 CHAIRMAN KLEIN: APPRECIATE YOUR QUESTION.
17 THE NORMAL PROCEDURE IS THAT THE FINANCE COMMITTEE DOES
18 NOT ADVANCE MONEY FROM THE POOLED MONEY INVESTMENT
19 FUNDS UNTIL IT'S CLEAR THAT THEY CAN ISSUE BONDS. SO
20 THEY'RE INTENDED TO PROVIDE FUNDS IMMEDIATELY WHILE
21 THOSE BONDS ARE BEING ISSUED. SO IT IS NOT -- OUR
22 REQUEST AT THIS POINT IS NOT ASKING THE POOLED MONEY
23 FUND TO ADVANCE ANY FUNDS. WE'RE TRYING TO ISSUE BONDS
24 HERE. ALL RIGHT. I'D LIKE TO MAKE THAT CLEAR.

25 SECONDLY, ON ISSUES ON THE ACTUAL PROCEDURE

1 FOR THE STATE TO MOVE FORWARD ARE DETERMINED BY THE
2 FINANCE COMMITTEE UNDER THE ACT. AND THE FINANCE
3 COMMITTEE, AS I SAID, INCLUDES ALL THE RELEVANT
4 CONSTITUTIONAL OFFICERS OR THEIR REPRESENTATIVES, SUCH
5 AS THE GOVERNOR'S REPRESENTATIVE BY THE STATE DIRECTOR
6 OF FINANCE ON THAT COMMITTEE. AND YOU LOOK TO THEM FOR
7 DETERMINING THE STEPS AND PROCESS TO TAKE GOING
8 FORWARD.

9 IS THAT AN APPROPRIATE STATEMENT?

10 MS. FOGEL: YES.

11 MS. PACTER: I'D JUST LIKE TO ADD ONE THING.
12 THIS IS A PRELIMINARY STEP THAT'S TAKEN BY THE
13 GOVERNMENT AGENCY TO REQUEST FURTHER ACTIONS FROM OTHER
14 GOVERNMENT AGENCIES. SO THIS IS JUST A RESOLUTION THAT
15 REQUESTS ACTIONS FROM THE FINANCE COMMITTEE AND DOESN'T
16 AUTHORIZE ANYTHING ELSE.

17 CHAIRMAN KLEIN: THE ACTUAL AUTHORIZATION FOR
18 THE ISSUANCE OF FUNDS COMES FROM THE FINANCE COMMITTEE.
19 WE COULD HAVE THE FORTUNATELY EXCELLENT SUPPORT FROM
20 THE STATE, NOT ONLY DO WE HAVE THE MANDATE OF THE
21 PUBLIC, BUT CERTAINLY THE CONSTITUTIONAL OFFICERS ALL
22 WHO ENDORSED THE INITIATIVE HAVE BEEN EXTREMELY
23 SUPPORTIVE. AND WE APPRECIATE THEIR COOPERATION IN
24 EXPEDITING THE PROCESS TO GET THE BONDS ISSUED IN THE
25 STATE.

1 MR. HALPERN, YOU HAVE ADDRESSED THE ISSUE
2 ALREADY. AND I WANT TO KNOW IF THERE'S ANY OTHER
3 PUBLIC COMMENT. YES. IN THE BACK.

4 UNIDENTIFIED SPEAKER: YES, YOU MADE A
5 STATEMENT THAT THE LITIGATION WAS INTENDED TO SLOW DOWN
6 THE PROCESS. IF THAT WAS THE INTENT OF THE LITIGATION,
7 WHY WAS IT INITIALLY BROUGHT IN THE SUPREME COURT ON AN
8 EXPEDITED BASIS?

9 CHAIRMAN KLEIN: WELL, FIRST OF ALL, THE
10 HISTORY OF THE PROCESS, AS THE LITIGANTS KNEW, IS THE
11 SUPREME COURT RARELY ACCEPTS JURISDICTION. WE FRANKLY
12 HOPED THAT IT WOULD ACCEPT JURISDICTION. THEY THEN
13 BROUGHT IT AT THE SUPERIOR COURT LEVEL. AND CERTAINLY
14 THEY MUST RESPECT THE FACT THAT WE WOULD THEN USE BOND
15 VALIDATION ACTIONS TO TRY AND EXPEDITE THE PROCESS FOR
16 THE INSTITUTE. BUT THE LITIGANTS ON ITS FACE REALIZED
17 THAT THEIR PRIOR PROSECUTORIAL ARGUMENTS USED AT THE
18 SUPREME COURT WERE ONES THAT WERE DEFEATED IN COURT IN
19 RELATIONSHIP TO THE CHALLENGE TO PROP 10, FOR
20 AFTER-SCHOOL CHILDREN'S PROGRAMS. AND THE MAJOR
21 TOBACCO COMPANIES CHALLENGED PROP 99, THE ANTISMOKING
22 INITIATIVE, WITH THE SAME CONSTITUTIONAL ARGUMENTS THAT
23 WERE USED IN THE SUPREME COURT.

24 SO THE CONSTITUTIONAL ARGUMENTS PREVIOUSLY
25 USED WERE KNOWN TO HAVE FAILED IN OUR COURT SYSTEM, YET

1 SUITS WERE FILED USING THOSE SAME CONSTITUTIONAL
2 ARGUMENTS. THE OUTSIDE OBSERVER, IF YOU GO TO YOUR
3 LEGAL ADVISORS, WOULD SAY THAT GIVEN THE
4 EXTRAORDINARILY SMALL CHANCE OF SUCCESS, THAT WHAT
5 PURPOSE WOULD THEN THE LITIGANTS HAVE, AND THE ANSWER
6 WOULD BE TO SLOW DOWN THE PROCESS OF GETTING RESEARCH
7 FUNDED.

8 WE WILL LET EVERYONE DECIDE FOR THEMSELVES
9 BASED UPON THE FACTS HISTORICALLY AND RESPECTIVELY.

10 WHAT I'D LIKE TO DO HERE, SINCE WE FINISHED
11 PUBLIC COMMENT, IS TO SEE IF THERE'S ANY OTHER BOARD
12 DISCUSSION ON THE ITEM. YES.

13 UNIDENTIFIED SPEAKER: MOVE THE MOTION.

14 CHAIRMAN KLEIN: IS THERE A SECOND?

15 DR. LEVEY: SECOND.

16 CHAIRMAN KLEIN: IT'S MOVED AND SECONDED.

17 ALL IN FAVOR. OPPOSED? THE PROCESS WILL MOVE FORWARD.

18 OKAY. WE HAVE SOME OTHER CRITICAL ITEMS THAT
19 WE WOULD LIKE TO ADDRESS HERE. WE WILL GO TO ITEM 10.
20 THIS IS A DESIRE TO PUT A CONFLICTS OF INTEREST POLICY
21 FOR CIRM STAFF IN PLACE. I WOULD SAY THAT IF WE CAN DO
22 THE, AND AGAIN AS AN INTERIM STEP, SUBJECT TO FUTURE
23 REFINEMENT, WE WOULD DO THEM QUICKLY. IF WE CANNOT DO
24 THEM QUICKLY, GIVEN THE OTHER CRITICAL AGENDA ITEMS, I
25 WILL THEN ASK TO FORM ANOTHER BOARD SUBCOMMITTEE TO

1 DEAL WITH THE ITEM. AND I KNOW YOU'RE UNDER TREMENDOUS
2 DEMANDS, BUT WE NEED TO HAVE THE ORGANIZATIONAL WORK ON
3 THE BOARD AND REFINEMENT POTENTIALLY TAKE PLACE IN
4 SUBCOMMITTEES TO MAKE SURE WE COVER OUR AGENDAS AND
5 REPORT IN A BUSINESSLIKE PROCESS AND WITH THE PUBLIC'S
6 ABILITY TO THEN HAVE FULL DISCUSSIONS IN SPECIAL
7 SUBCOMMITTEES. BUT WE WILL ADVANCE AT THE MOMENT ON
8 ITEM 10 AND DR. HALL.

9 DR. HALL: SO IN THE NEXT ITEM, WE WILL BE
10 CONSIDERING SEVERAL ISSUES RELATED TO CONFLICT OF
11 INTEREST FOR THOSE WHO WILL BE ACTUALLY DOING THE WORK
12 OF THE INSTITUTE. AND THE ITEM WE WILL TAKE UP IS
13 CONFLICT OF INTEREST FOR THE STATE EMPLOYEES WHO ARE
14 THE CIRM STAFF MEMBERS, AND THEN NEXT WE WILL CONSIDER
15 WORKING GROUP MEMBERS WHO ARE NOT STATE EMPLOYEES, BUT
16 WHOM WE ENGAGE FOR SPECIFIC TECHNICAL TASKS ON OUR
17 GRANTS REVIEW WORKING GROUP AND ON OUR MEDICAL AND
18 ETHICAL STANDARDS WORKING GROUP.

19 I THINK GIVEN OUR PREVIOUS DISCUSSION, IT
20 DOESN'T NEED TO BE EMPHASIZED, FURTHER EMPHASIZED, HOW
21 IMPORTANT IT IS THAT WE HAVE STRONG CONFLICT OF
22 INTEREST POLICIES FOR THE SUCCESS OF OUR PROGRAMS AND
23 TO MAINTAIN THE CONFIDENCE OF THE PEOPLE OF CALIFORNIA
24 IN WHAT WE ARE DOING.

25 THE EMPLOYEES ARE ALREADY COVERED BY THE

1 STATEMENT OF INCOMPATIBLE ACTIVITIES, WHICH WAS PASSED
2 AT THE LAST ICOC MEETING, BUT WE NEED TO GO BEYOND THAT
3 TO REFLECT THE FACT THAT THE INSTITUTE IS A
4 GRANT-GIVING ORGANIZATION, AND SOME OF ITS EMPLOYEES
5 ARE ENGAGED IN GRANTS AND FACILITIES REVIEW. SO,
6 THEREFORE, WE ARE ADDING TO THE STATEMENT OF
7 INCOMPATIBLE ACTIVITY THE PROPOSED CONFLICT OF INTEREST
8 POLICY THAT IS BEFORE YOU UNDER AGENDA ITEM 10.

9 I WON'T GO THROUGH IT IN CLOSE DETAIL, BUT I
10 HOPE YOU ALL HAVE IT IN FRONT OF YOU. AND LET ME JUST
11 POINT OUT THAT WE DEFINE CONFLICT OF INTEREST WHEN A
12 CIRM EMPLOYEE HAS A FINANCIAL OR OTHER INTEREST THAT
13 SIGNIFICANTLY IMPAIRS THE EMPLOYEE'S ABILITY TO CARRY
14 OUT HIS OR HER DUTIES IN AN OBJECTIVE MANNER THAT IS
15 FREE FROM BIAS OR THAT CREATES AN UNFAIR ADVANTAGE FOR
16 ANY PERSON, INSTITUTE, OR COMPANY.

17 SO ITEM NO. 1 SIMPLY SAYS THAT CIRM EMPLOYEES
18 MAY NOT PARTICIPATE IN GRANT FACILITIES REVIEW OF ANY
19 APPLICATION FROM AN INSTITUTE IN WHICH HE IS EMPLOYEE
20 OR CLOSE FRIEND OR MEMBER IS AN EMPLOYEE OF THE
21 INSTITUTION OR PRINCIPAL INVESTIGATOR.

22 NO. 2, THEY MAY NOT PARTICIPATE IN A REVIEW
23 IN WHICH THE EMPLOYEE OR CLOSE FRIEND OR MEMBER CAN
24 RECEIVE FINANCIAL BENEFIT.

25 NO. 3 IS UNDER PROFESSIONAL FINANCES

1 INTEREST, CIRM EMPLOYEES MAY NOT PARTICIPATE IN THE
2 GRANT OF FACILITIES REVIEW FROM SOMEONE WHO HAS BEEN A
3 PROFESSIONAL ASSOCIATE OF A CIRM EMPLOYEE SUCH AS A
4 STUDENT, PREDOCTORAL OR POSTDOCTORAL ADVISOR, OR
5 SOMEONE WHO HAS BEEN A COLLABORATOR WITHIN THE LAST
6 THREE YEARS.

7 NO. 4, THEY MAY NOT PARTICIPATE IN
8 PREPARATION OF A GRANT APPLICATION EXCEPT TO
9 PROVIDE -- OR FACILITIES APPLICATION EXCEPT TO PROVIDE
10 INFORMATION TO THE APPLICANT.

11 AND 5, THEY MAY NOT HAVE A FINANCE OR
12 PROPERTY INTEREST IN ANY ORGANIZATION THAT APPLIES FOR
13 FUNDING FROM THE CIRM OR IN ANY ORGANIZATION WITH
14 SUBSTANTIAL INTEREST IN STEM CELL THERAPY. WE DEFINED
15 SUBSTANTIAL INTEREST AS ONE IN WHICH MORE THAN 5
16 PERCENT OF THE RESEARCH BUDGET IS KNOWN TO BE
17 DEVELOPED -- DEVOTED TO STEM CELL THERAPY. AND IN THE
18 INSTANCE THAT SUCH A CONFLICT ARISES, THAT IS, IF THERE
19 IS AN APPLICATION FROM A COMPANY OR OTHER INSTITUTION
20 IN WHICH AN EMPLOYEE HAS A FINANCIAL INTEREST, WE ASK
21 THAT THEY INITIATE A DIVESTITURE WITHIN 90 DAYS AND NOT
22 PARTICIPATE IN THE REVIEW OF THE APPLICATION. AND THEN
23 IT GOES ON TO DEFINE WHAT WE MEAN BY FINANCIAL
24 INVESTMENTS AND PROPERTY INTERESTS.

25 AND FINALLY, CIRM EMPLOYEES MAY NOT ENGAGE IN

1 COMPENSATED OR UNCOMPENSATED EMPLOYMENT, INCLUDING
2 CONSULTING, TEACHING, OR ADVISORY BOARD SERVICE FOR ANY
3 INSTITUTION ENGAGED IN STEM CELL RESEARCH. THIS IS NOT
4 TO PRECLUDE SINGLE SEMINARS OR TALKS, BUT ANY MORE
5 SUBSTANTIAL ENGAGEMENT WITH THE INSTITUTION IS REGARDED
6 AS A CONFLICT OF INTEREST. SO WE WILL ASK ALL OUR CIRM
7 EMPLOYEES TO SIGN AND ABIDE BY THE POLICY.

8 SO WE ASK YOUR COMMENT ON IT AND SUGGESTION
9 FOR MODIFICATION AND REQUEST APPROVAL FOR IT, EITHER
10 THIS OR A MODIFIED VERSION.

11 CHAIRMAN KLEIN: I BELIEVE THERE'S A QUESTION
12 FROM JOAN SAMUELSON.

13 MS. SAMUELSON: DR. HALL, WHAT'S THE PURPOSE
14 OF THE LAST PROVISION?

15 DR. HALL: NO. 6?

16 MS. SAMUELSON: YEAH.

17 DR. HALL: I THINK THAT IF THERE IS AN
18 ASSOCIATION OR TO THE EXTENT THAT AN EMPLOYEE HAS A
19 SUBSTANTIAL ASSOCIATION WITH AN INSTITUTION, THAT THEY
20 IDENTIFY WHETHER THEY'RE IDENTIFIED WITH ITS INTERESTS
21 IN SOME WAY. LET ME JUST SAY THAT -- OKAY.

22 MS. SAMUELSON: THE TEACHING COMPONENT SEEMS
23 LIKE IT MIGHT BE A BENEFIT, BUT...

24 DR. HALL: WELL, THIS IS A DRAFT, AND OUR
25 PURPOSE WAS, AS I SAY, TO HAVE EMPLOYEES WHO WERE NOT

1 IDENTIFIED WITH AN INSTITUTION THAT IS APPLYING FOR
2 FUNDS TO THE CIRM TO AVOID BOTH CONFLICT OF INTEREST
3 AND, AS WE TALKED ABOUT BEFORE, ANY APPEARANCE OF
4 APPARENT CONFLICT OF INTEREST.

5 CHAIRMAN KLEIN: YES. DR. FRANCISCO PRIETO.

6 DR. PRIETO: YES. I JUST HAD A QUESTION
7 ABOUT THE EXCEPTION THAT YOU MENTIONED AT THE END, BUT
8 THAT ISN'T RELATED SPECIFICALLY. IS THAT IMPLIED
9 SOMEWHERE, OR DO WE NEED TO SPECIFICALLY PUT IN AN
10 EXCEPTION FOR GIVING SINGLE TALKS OR PRESENTATIONS?

11 DR. HALL: I'D BE HAPPY TO DO THAT FOR
12 CLARIFICATION, BUT WE COULD EASILY ADD A SENTENCE.

13 DR. PRIETO: I THINK IT WOULD BE BETTER TO
14 PUT SOMETHING IN SPECIFICALLY.

15 DR. HALL: OKAY. CAN WE ASK SOMEBODY TO
16 DRAFT A SENTENCE THAT WE COULD USE.

17 CHAIRMAN KLEIN: I THINK, DR. LOVE, YOU HAVE
18 A COMMENT.

19 DR. LOVE: JUST ONE QUESTION. SEVERAL TIMES
20 WE REFERRED TO GRANTS OR FACILITIES.

21 DR. HALL: YES.

22 DR. LOVE: SHOULD WE INCLUDE CONTRACTS AT
23 ALL? OR WOULD THAT BE PART OF --

24 DR. HALL: YES. YES. ABSOLUTELY. THANK
25 YOU. THAT'S AN OVERSIGHT AND WE'LL ATTEND TO THAT.

1 CHAIRMAN KLEIN: THANK YOU. THAT'S WHY WE
2 HAVE 29 EXCELLENT MINDS ON THE BOARD. THANK YOU VERY
3 MUCH. YES, OS.

4 DR. STEWARD: ACTUALLY THIS IS BUILDING UPON
5 JOAN'S COMMENT. ONE COULD IMAGINE THAT A HUSBAND WOULD
6 BE ACTUALLY IN HIGH DEMAND AS FAR AS TEACHING.

7 DR. HALL: I WOULD REGARD THAT AS
8 INAPPROPRIATE FOR MYSELF. TO COME AND GIVE A SINGLE
9 LECTURE, BUT TO SET A MEETING WITH PEOPLE AND PLAN THE
10 COURSE AND CARRY OUT THE COURSE AND TALK TO THE
11 STUDENTS, I THINK THAT'S A RELATION WITH A PARTICULAR
12 INSTITUTION IN A WAY THAT I WOULD NOT BE COMFORTABLE
13 WITH.

14 DR. STEWARD: IT'S AN UNFORTUNATE LOSS OF
15 TALENT, I GUESS.

16 DR. HALL: WELL, AS WE DISCUSSED BEFORE,
17 SOMETIMES ONE HAS TO MAKE PERSONAL SACRIFICES FOR THE
18 GREATER CAUSE.

19 CHAIRMAN KLEIN: DR. BALTIMORE.

20 DR. BALTIMORE: THERE IS ONE PHRASE THAT
21 BOTHERS ME. AND THAT IS WHO IS OR HAS BEEN A
22 PROFESSIONAL ASSOCIATE OF THE EMPLOYEE SUCH AS STUDENT,
23 PREDOC, POST-DOC. MANY PEOPLE HAVE HAD TRAINEES, AND
24 IN SOME FIELDS A SIGNIFICANT FRACTION OF THE TRAINEES
25 CAN IDENTIFY EVEN WITH A SINGLE INDIVIDUAL.

1 DR. HALL: THESE ARE EMPLOYEES, RIGHT.

2 DR. BALTIMORE: I UNDERSTAND THAT. BUT

3 PRESIDENT, FOR INSTANCE, YOU'VE HAD LOTS OF TRAINING.

4 AT NIH THERE IS NO SUCH REQUIREMENT.

5 DR. HALL: THERE IS, AS YOU WILL SEE IN THE

6 STUDY SECTIONS.

7 DR. BALTIMORE: THERE IS IN THE STUDY

8 SECTIONS?

9 DR. HALL: YES. YES. AN ADVISOR OR STUDENT

10 OR SOMEBODY WHO'S, I THINK THE FIGURE THERE IS, I'M NOT

11 SURE, THREE OR FIVE YEARS, BUT IF YOU'VE HAD A

12 CO-PUBLICATION WITH SOMEBODY WITHIN A CERTAIN PERIOD OF

13 TIME --

14 DR. BALTIMORE: TO COLLABORATE EVERY THREE

15 YEARS IS NOT WHAT I'M TALKING ABOUT. I'M TALKING ABOUT

16 THE SORT OF OPEN-ENDED STATEMENT ABOUT THE STUDENT

17 POST-DOC, PREDOC, OR ADVISOR. I THINK THE PREDOCTORAL

18 ADVISOR --

19 DR. HALL: I, FRANKLY, WOULD BE, AGAIN,

20 UNCOMFORTABLE PARTICIPATING IN THE REVIEW. I WOULD

21 RECUSE MYSELF IF IT WAS SOMEBODY WHO HAD BEEN AN

22 ADVISOR, ONE OF MY STUDENTS OR A POSTDOCTORAL STUDENT

23 OR MY ADVISOR, BUT AGAIN I'LL LEAVE IT TO THE

24 COMMITTEE. THAT'S JUST A DRAFT.

25 CHAIRMAN KLEIN: GIVEN THAT THERE ARE MANY

1 DIFFERENT LEVELS OF RELATIONSHIPS SINCE PREDOCTORAL
2 ADVISORY WORK, PERHAPS THAT IS A DECISION, SHOULD IT BE
3 MADE BY THE INDIVIDUAL BASED UPON THEIR INDIVIDUAL
4 KNOWLEDGE AND NOT BE PREVENTED HERE. BUT COMMENTS?

5 DR. STEWARD: A QUESTION. I'M ACTUALLY NOT
6 SURE WHAT IT MEANS TO PARTICIPATE IN A REVIEW. IT WAS
7 MY UNDERSTANDING THAT THE CIRM WOULDN'T ACTUALLY BE
8 PART OF THE REVIEW COMMITTEES FOR FACILITIES --

9 DR. HALL: YES. SO WE WON'T HAVE STAFF
10 MEMBERS WHO HAVE TO RUN THESE MEETINGS AND WHO WILL BE
11 PRESENT. AND PROGRAM OFFICERS WHO HAVE GRANTS IN THEIR
12 PORTFOLIO WILL BE PRESENT. THEY WILL NOT PARTICIPATE.
13 I TAKE THAT BACK. BUT CERTAINLY THE -- THOSE RUNNING
14 THE WORKING GROUP, FOR EXAMPLE, ONE OF THE JOBS THAT
15 THEY WILL HAVE TO DO IS TO TAKE THE COMMENTS THAT HAVE
16 BEEN MADE AND SUMMARIZE THOSE FOR THE ICOC. IT'S A
17 VERY SENSITIVE JOB. AND I THINK THAT'S INAPPROPRIATE
18 TO DO. IT'S VERY EASY TO BE WISE TO THAT SITUATION.
19 AND I THINK IT'S INAPPROPRIATE.

20 AND MANY, BUT NOT ALL OF THOSE, DAVID, WHO
21 WILL BE COMING IN ALMOST BY DEFINITION IN ADDITION ARE
22 THOSE WHO HAVE NOT HAD LONG RESEARCH CAREERS OVER
23 DECADES. AND SO I THINK MANY OF THEM ARE PEOPLE WHO
24 COME MIDCAREER TO ADMINISTRATION OR WHO COME AFTER A
25 SHORT, YOU KNOW, GRADUATE SCHOOL AND POST-DOC. SO I

1 THINK IT'S NOT -- AS A PRACTICAL MATTER, I THINK IT'S
2 NOT THAT SERIOUS. ANY OTHER COMMENT?

3 CHAIRMAN KLEIN: DR. PRIETO.

4 DR. PRIETO: QUESTION. DOES THE THREE-YEAR
5 EXCLUSION APPLY ONLY TO DIRECT COLLABORATORS OR TO ALL
6 THESE RELATIONSHIPS?

7 DR. HALL: IT'S MEANT TO APPLY TO DIRECT
8 COLLABORATORS. SO IF YOU'VE HAD A STUDENT -- SOMEBODY
9 WHO'S BEEN YOUR STUDENT REMAINS -- A FORMER STUDENT OF
10 YOURS, I, FOR ONE, WOULD FEEL --

11 DR. PRIETO: SO AT ANY TIME.

12 DR. HALL: I, FOR ONE, WOULD FEEL THAT, YES,
13 IN FACT, I WOULD PREFER, IF I WERE WRITING A SUMMARY OF
14 THE COMMENTS THAT HAD BEEN MADE ABOUT THE GRANT, I
15 WOULD NOT WANT TO DO IT FOR SOMEBODY THAT HAD BEEN A
16 STUDENT OF MINE. AND SO WE WOULD LIKE TO AVOID THAT
17 SITUATION. IN MY VIEW, AS WE WORK WITH THE GRANTS,
18 THAT WE WOULD NOT -- GRANT REVIEWS, WE WOULD NOT ASK A
19 CIRM EMPLOYEE WHO HAD BEEN IN THAT SITUATION, AND I
20 THINK IT PUTS THEM IN A DIFFICULT SITUATION JUST AS
21 WELL.

22 CHAIRMAN KLEIN: ALL RIGHT. DR. POMEROY.

23 DR. POMEROY: JUST TO CLARIFY WHO A CIRM
24 EMPLOYEE IS, THIS WOULD INCLUDE THE PRESIDENT, THE
25 CHAIR OF THE ICOC, THE VICE CHAIR OF THE ICOC, ALL

1 THOSE PEOPLE.

2 DR. HALL: YES.

3 DR. POMEROY: SO WE WOULD NEED TO TELL THIS
4 TO OUR PRESIDENTIAL CANDIDATES.

5 DR. HALL: YES. THAT'S RIGHT. PRESIDENTIAL
6 CANDIDATE WILL HAVE TO AGREE TO ABIDE BY THESE
7 POLICIES.

8 CHAIRMAN KLEIN: ALL RIGHT. IS THERE A SENSE
9 OF THE COMMITTEE?

10 DR. FRIEDMAN: SO MOVED.

11 CHAIRMAN KLEIN: OKAY. DR. FRIEDMAN IS
12 MAKING A MOTION. IS THERE SECOND?

13 DR. WRIGHT: SECOND.

14 CHAIRMAN KLEIN: SECOND FROM DR. WRIGHT. IS
15 THERE PUBLIC COMMENT? I THINK WE HAVE MR. HALPERN, AND
16 THEN WE HAVE -- MR. HALPERN, I THINK, IS FIRST. AND
17 THEN WE HAVE A COUPLE MORE ON THE RIGHT SIDE.

18 MR. HALPERN: IF YOU GUYS WANT TO CALL ME
19 DOCTOR, THAT'S ALL RIGHT. I AM A JURIST DOCTOR AND SO
20 IT COUNTS.

21 BUT I FIRST WANTED TO NOTE HOW MANY POSITIVE
22 AND APPROPRIATE STANDARDS ARE INCLUDED IN THIS
23 DOCUMENT. AGAIN, I WANT TO COME BACK AND SAY THAT YOUR
24 SUGGESTION AT THE OUTSET, MR. CHAIRMAN, SEEMED TO BE
25 PRECISELY RIGHT. A SMALL SUBCOMMITTEE THAT MEETS, HAS

1 AN OPPORTUNITY TO REALLY GO OVER THIS IN DETAIL, AND
2 I'LL SUGGEST SOME REASONS WHY I THINK THAT'S NECESSARY
3 AND WILL MAKE A STRONGER DOCUMENT TO RETURN FOR A VOTE
4 AT THE NEXT MEETING, NOT A MAJOR DELAY, BUT I THINK A
5 MUCH STRONGER DOCUMENT WOULD EMERGE. SO I WANT TO
6 ENDORSE THE CHAIR'S SUGGESTION AS A POSSIBLE PROCEDURE
7 THAT YOU HAVE POINTED TO.

8 THIS IS TO A CAREFUL READING OF A DOCUMENT
9 THAT YOU CAN IN MANY WAYS TO MAKE IT MORE EFFECTIVE
10 AGAINST CONFLICT OF INTEREST AND ALSO GET RID OF SOME
11 OF WHAT I VIEW AS UNNECESSARY RESTRICTIONS.

12 I'LL GIVE YOU A COUPLE OF EXAMPLES OF EACH.
13 I KNOW I ONLY HAVE A FEW MORE SECONDS. PARAGRAPH 1,
14 FOR EXAMPLE, IT SAYS THAT THE EMPLOYEES MAY NOT
15 PARTICIPATE IN GRANT OR FACILITIES REVIEW OF ANY
16 APPLICATION FROM THE INSTITUTION WITH WHICH THEY VERY
17 INTIMATELY INTERACT WITH. IT APPLIES ONLY TO GRANT AND
18 FACILITIES REVIEW; WHEREAS, IT SEEMS TO ME QUITE
19 OBVIOUS THAT THE SAME CONSIDERATION ON THE SITUATION,
20 FOR EXAMPLE, OF MONITORING PERFORMANCE IN THE YEARS
21 DURING WHICH A GRANT IS BEING EXECUTED BY AN
22 INSTITUTION WITH WHICH THE EMPLOYEE IS CONNECTED. IT'S
23 NOT A MAJOR CHANGE, BUT IT'S SOMETHING THAT COULD BE
24 TAKEN OFF. AND THERE ARE MANY OTHERS LIKE IT.

25 ANOTHER ONE, IF YOU GO TO PARAGRAPH 5, WHICH

1 I THINK IS HIGHLY SIGNIFICANT BECAUSE IT ADDRESSES FOR
2 THE FIRST TIME THE QUESTION OF THE INVESTMENTS HELD BY
3 SOMEONE IN THE CIRM PROCESS. TAKE THAT FIRST SENTENCE,
4 A CIRM EMPLOYEE MAY NOT HAVE A FINANCIAL INTEREST IN
5 ANY ORGANIZATION THAT APPLIES FOR FUNDING FROM THE
6 CIRM. MANY EMPLOYEES FOR THE CIRM AREN'T GOING TO KNOW
7 WHO THE APPLICANTS FOR GRANTS ARE, AND THIS DOESN'T
8 MAKE ANY SENSE TO HOLD THAT PERSON TO THE -- TO THAT
9 STANDARD GIVEN THE FACT THAT INFORMATION MAY NOT BE
10 AVAILABLE.

11 ONE OTHER -- AGAIN, THIS IS A PROBLEM WHICH
12 COULD BE WORKED THROUGH IN THE COURSE OF CONVERSATIONS
13 FOR WHICH THERE ISN'T TIME TODAY. NO. 6, IT SEEMS TO
14 ME THAT I THINK DR. HALL IS QUITE RIGHT IN POINTING TO
15 A POTENTIAL CONFLICT FOR THE PRESIDENT; BUT IF YOU'RE
16 TALKING ABOUT SOMEBODY WHO'S A PART-TIME INFORMATION
17 TECHNOLOGY SPECIALIST FOR THE CIRM, WHY SHOULDN'T THAT
18 PERSON BE ALLOWED TO HOLD THAT SAME KIND OF PART-TIME
19 POSITION WITH THE UC, ON A UC MEDICAL SCHOOL CAMPUS?
20 IT SEEMS TO ME UNDULY RESTRICTIVE, AND EVEN IN TERMS OF
21 THE MOST SCRUPULOUS CONCERN FOR THE APPEARANCE OF
22 CONFLICT. THERE'S NO REASON TO BE SO RESTRICTIVE.

23 I OFFER THESE NOT AS SUGGESTIONS FOR
24 AMENDMENTS TODAY, BUT TO SUGGEST THE KIND OF
25 FINE-TUNING WHICH COULD IN THE AGGREGATE DRAMATICALLY

1 IMPROVE THE QUALITY OF THIS WITH RELATIVELY LITTLE
2 DELAY.

3 DR. HALL: COULD I ADDRESS THAT?

4 CHAIRMAN KLEIN: THANK YOU VERY MUCH,
5 MR. HALPERN.

6 DR. HALL: COULD I ADDRESS ONE ISSUE, PLEASE?

7 CHAIRMAN KLEIN: YES. DR. HALL.

8 DR. HALL: AND THAT IS LET ME JUST EXPLAIN
9 HOW THE POLICY WOULD WORK IN PRACTICE BECAUSE
10 MR. HALPERN IS QUITE RIGHT. EMPLOYEES IN THE INSTITUTE
11 DON'T KNOW WHO'S APPLIED UNLESS THEY'RE CONCERNED WITH
12 REVIEW. AND WHAT WE WOULD DO WOULD BE TO ASK PEOPLE TO
13 TELL US. WE WOULD HAVE A LIST OF WHAT FINANCIAL
14 INVESTMENTS PEOPLE HAVE, NOT THE AMOUNT, WHICH ARE THE
15 COMPANIES THAT THEY HAVE A FINANCIAL INTEREST IN, AND
16 THOSE WOULD BE ON FILE. AND AT ANY TIME THEY WOULD BE
17 UPDATED. AND ANY TIME GRANTS CAME IN, WE WOULD RUN
18 DOWN AND CHECK THE LIST AND THEN SAY TO SOMEBODY YOU
19 MAY HAVE A CONFLICT OF INTEREST HERE, AND WE WANT TO
20 ALERT YOU TO THAT FACT THAT THIS PARTICULAR COMPANY HAS
21 APPLIED, UNBEKNOWNST TO YOU, FOR A GRANT HERE, AND SO
22 YOU WILL NEED TO DIVEST. AND THAT'S THE WAY IT WOULD
23 WORK IN PRACTICE.

24 CHAIRMAN KLEIN: ALL RIGHT. WE HAVE
25 ADDITIONAL PUBLIC COMMENT?

1 DR. POSNER: DR. POSNER, OAK RIDGE ASSOCIATED
2 UNIVERSITIES. ON ITEM 6, YOU STATE FOR ANY INSTITUTION
3 ENGAGED IN STEM CELL RESEARCH. AND WITH THE NATIONAL
4 MOVE TO STEM CELL RESEARCH IN MANY OTHER STATES AND
5 INTERNATIONAL MOVE, I DON'T KNOW THAT WE MIGHT WANT TO
6 SUGGEST STEM CELL RESEARCH IN THE STATE OF CALIFORNIA
7 BECAUSE THEY WOULD BE A GREAT RESOURCE FOR THE OTHER
8 STATES AND THE OTHER COUNTRIES THAT ARE CURRENTLY DOING
9 THIS.

10 CHAIRMAN KLEIN: OKAY. WE HAVE ANOTHER
11 COMMENT, PUBLIC COMMENT. THANK YOU.

12 UNIDENTIFIED SPEAKER: JUST COMING FROM THE
13 FINANCIAL PERSPECTIVE, I'M IN THE INVESTMENT BANKING
14 AND ASSET MANAGEMENT. IT'S NOT NECESSARILY A
15 REQUIREMENT THAT PEOPLE COMPLETELY DIVEST THEIR
16 INVESTMENTS, BUT THEY SORT OF GET (UNINTELLIGIBLE) AND
17 SORT OF PUT INTO A GENERAL LIEN ACCOUNTS. HOWEVER,
18 (UNINTELLIGIBLE) BECAUSE YOU MAY COME TO A POINT OF
19 MAKING SUGGESTIONS WHERE PEOPLE WOULD HAVE TO DISPOSE
20 OF LARGE AMOUNTS, AND IT'S PROBABLY NOT NECESSARILY
21 CAUSING DAMAGE TO THAT INDIVIDUAL.

22 CHAIRMAN KLEIN: YES. MR. HALL, COULD YOU
23 ADDRESS BLIND TRUSTS AND DIVERSIFIED STOCKHOLDINGS?

24 DR. HALL: I THINK IT SAYS THAT IT DOES NOT
25 INCLUDE DIVERSIFIED MUTUAL FUNDS, BUT CERTAINLY PUTTING

1 THEM INTO A BLIND TRUST, AS FAR AS I'M CONCERNED, WOULD
2 BE AN ACCEPTABLE ALTERNATIVE.

3 CHAIRMAN KLEIN: SO IS THAT AN AMENDMENT YOU
4 WOULD ACCEPT?

5 DR. HALL: YES, I CERTAINLY WOULD. AS WELL
6 AS THE IN THE STATE OF CALIFORNIA, IT SEEMS TO ME QUITE
7 A REASONABLE ONE AS WELL. AND I THINK WE NEED TO ADD
8 CONTRACTS. AND WAS THERE ANY OTHER MODIFICATION ANYONE
9 WOULD WANT TO MAKE THAT I MISSED?

10 CHAIRMAN KLEIN: TO THE SPEAKER IN THE BACK,
11 DID WE ADDRESS YOUR ITEM?

12 UNIDENTIFIED SPEAKER: YEAH.

13 CHAIRMAN KLEIN: JUST A CLARIFICATION.

14 MS. PACTER: THE BLIND TRUST IS, I THINK, THE
15 TERMINOLOGY THAT I WAS GOING TO SUGGEST. THERE WAS
16 ANOTHER POINT ACTUALLY ON THE INTELLECTUAL PROPERTY. I
17 THINK YOU MIGHT WANT TO, BUT WHEN PEOPLE ACTUALLY HAVE
18 THEIR NAME ON PATENTS, THEY CAN'T REALLY DIVEST
19 THEMSELF FROM HAVING THEIR NAME ON THE PATENT
20 (UNINTELLIGIBLE), I GUESS. YOU MAY HAVE TO VERIFY
21 THAT.

22 CHAIRMAN KLEIN: DR. HALL.

23 DR. HALL: WE WOULD HAVE TO, I THINK -- I'M
24 NOT SURE WHAT WE WOULD DO. I THINK WE'D JUST ASK
25 PEOPLE IF THEY HAVE ANY PATENTS. AND IF THEY -- I

1 THINK MOST PEOPLE WOULD BE WILLING TO GIVE THAT
2 INFORMATION. AM I WRONG?

3 UNIDENTIFIED SPEAKER: PERHAPS ROYALTIES FROM
4 PATENTS WOULD BE WHAT YOU WOULD BE CONCERNED WITH.

5 CHAIRMAN KLEIN: THERE'S ALSO PROCESS
6 APPROACHES.

7 DR. HALL: WHO HOLDS THE PATENT? I'D HAVE TO
8 GIVE THAT SOME THOUGHT.

9 CHAIRMAN KLEIN: MIGHT I SUGGEST THAT THIS IS
10 A VERY LEGITIMATE ISSUE, THAT WE WILL BE HOLDING A
11 PUBLIC HEARING ADDRESSING THIS TO TRY TO FURTHER REFINE
12 THIS. AND I THINK THIS IS AN ISSUE THAT HAS TO BE
13 ADDRESSED IN THAT PUBLIC HEARING SPECIFICALLY
14 AGENDIZED.

15 ADDITIONAL --

16 DR. HALL: THE ONLY SUGGESTION BY MR.
17 HALPERN, IF WE COULD TO AN AGREEMENT WITH WORDING ON
18 THAT, I'D BE HAPPY TO PUT THAT IN OR SOMEBODY WHO
19 MONITORS PROGRESS.

20 CHAIRMAN KLEIN: YEAH. MR. HALPERN, COULD
21 YOU HELP US WITH THAT ON YOUR PROPOSAL? I BELIEVE WE
22 SAID THAT NO EMPLOYEES MAY PARTICIPATE IN GRANT OR
23 FACILITIES REVIEW OR THE PROCESS OF GRANT MONITORING.
24 IS THAT THE INTENT OF YOUR COMMENT?

25 MR. HALPERN: I USED GRANT MONITORING AS AN

1 ILLUSTRATION, BUT I ONLY USE THAT AS AN ILLUSTRATION.
2 WE COULD ADD GRANT MONITORING; BUT IF WE HAVE A LITTLE
3 TIME TO WORK IT THROUGH, WE COULD REALLY THINK ABOUT
4 THE VARIOUS CONTEXTS IN WHICH THE CIRM EMPLOYEE OUGHT
5 NOT TO PARTICIPATE. SO AGAIN, MY SUGGESTION DID APPLY
6 TO THE MONITORING PROCESS FOR GRANTEES, BUT IT WAS
7 ILLUSTRATIVE ONLY. AND I DON'T FAVOR TRYING TO FLY
8 SPECK AGAIN THIS DOCUMENT THE WAY THE COMMITTEE DID
9 THIS MORNING.

10 DR. HALL: WE MIGHT WANT TO ALSO TAKE THAT UP
11 LATER. AS I THINK ABOUT IT, THE KIND OF GRANT
12 MONITORING THAT WOULD BE -- WOULD BY FAR BE FINANCIAL
13 MONITORING POSSIBLY THROUGH GRANTS MANAGEMENT AND
14 THERE -- YES, I THINK THAT WOULD BE FINE. I DON'T KNOW
15 THAT WE WILL DO ANY --

16 CHAIRMAN KLEIN: WE DON'T -- I THINK IF WE
17 INSERT GRANT MONITORING AS PART OF IT. LET US AGAIN
18 REITERATE, A, WHAT THE POTENTIAL HERE IS THAT I FIND
19 MYSELF JOINING WITH DR. HALPERN -- MR. HALPERN IN THE
20 FACT THAT IF WE COULD HAVE -- IF WE COULD HAVE A FULL
21 COMMITTEE, WE MIGHT HAVE FIRST AND LAST DRAFT THAT WAS
22 A BETTER DRAFT. THE ISSUE WITH THAT IS THAT THERE IS A
23 DYNAMIC POTENTIAL WHERE THERE'S A NEED TO ILLUSTRATE
24 VERY CLEARLY TO THE PUBLIC THE DIRECTION WE'RE GOING.
25 I THINK DR. HALL WAS CONCERNED THAT IT WAS A CLEAR

1 MESSAGE TO THE PUBLIC. WE'RE TRYING TO CREATE GOOD
2 STANDARDS IMMEDIATELY, BUT WE'RE TELLING THE PUBLIC
3 THESE ARE INTERIM STANDARDS.

4 WE ARE GOING TO HAVE HEARINGS ON THESE
5 MATTERS, AND WE'RE GOING TO TRY AND REFINE THESE
6 STANDARDS, AND WE'RE GOING TO TRY AND REALLY ARTICULATE
7 THEM VERY CLOSELY. AND WE BENEFIT FROM MR. HALPERN'S
8 SUGGESTIONS AND PARTICIPATION THROUGHOUT THE PUBLIC
9 HEARING ALONG WITH OTHER MEMBERS OF THE PUBLIC.

10 BUT, DR. HALL, AS I UNDERSTOOD FROM YOU, YOU
11 FELT IT WAS VERY IMPORTANT TO HAVE THESE ADOPTED NOW AS
12 A CLEAR MESSAGE TO THE PUBLIC.

13 DR. HALL: I THINK SO. I THINK THE THINGS
14 WE'RE TALKING ABOUT OR MR. HALPERN CHARACTERIZED THEM
15 AS FINE-TUNING. WE ARE BRINGING EMPLOYEES ON. AND I
16 THINK, FOR EXAMPLE, THAT ANYBODY WE'RE TALKING ABOUT
17 BECOMING THE PRESIDENT SHOULD UNDERSTAND THAT WE HAVE
18 ANOTHER FIVE EMPLOYEES. AND WE NEED TO, IF THAT'S A
19 PROBLEM, WE NEED TO KNOW IT AND DISCUSS IT WITH THEM.
20 SO I THINK MY SUGGESTION WOULD BE TO GO AHEAD, AND I'M
21 ASKING FOR APPROVAL OF THE DOCUMENT, THE POLICY AS
22 MODIFIED AS INTERIM STANDARDS UNTIL SUCH TIME AS THEY
23 CAN BE FINE-TUNED BY WHATEVER MECHANISM THE ICOC
24 CHOOSES.

25 CHAIRMAN KLEIN: ALL RIGHT. THANK YOU FOR

1 YOUR POSITION. IS IT CLEAR TO THE BOARD THE
2 MODIFICATIONS THAT MR. HALL -- DR. HALL HAS ACCEPTED?
3 ALL RIGHT. SO WE ARE IN A POSITION IF ONLY WE HAVE A
4 MOTION TO APPROVE.

5 UNIDENTIFIED SPEAKER: SO MOVED.

6 UNIDENTIFIED SPEAKER: SECOND.

7 CHAIRMAN KLEIN: AND A SECOND. AND SO WE
8 HAVE HAD PUBLIC COMMENT AND ADDITIONAL CLARIFICATION.
9 I'D LIKE TO CALL THIS TO A VOTE. IF THERE'S NO
10 MORE -- EXCUSE ME. WE HAVE ADDITIONAL PUBLIC COMMENT.

11 MS. PACTER: I HAVE HAD MY HAND UP.

12 CHAIRMAN KLEIN: I'M SORRY.

13 MS. PACTER: I JUST WANT TO RAISE -- ALSO
14 DRAW ATTENTION TO THE FACT THAT THIS IS ONLY LIMITED TO
15 CONFLICTS RELATED TO STEM CELL THERAPIES. AND TO THE
16 EXTENT THAT THE INITIATIVE ALLOWS BIOMEDICAL RESEARCH
17 OPPORTUNITIES OTHER THAN STEM CELL THERAPY, THAT THE
18 CONFLICT OF INTEREST POLICY SHOULD USE SIMILAR LANGUAGE
19 TO MAKE SURE THAT EMPLOYEES DON'T INADVERTENTLY FIND
20 THEMSELVES IN CONFLICTS ABOUT PROPOSALS THAT MAY BE
21 BEFORE YOU.

22 DR. HALL: CAN I JUST SAY A WORD TO THAT? I
23 THINK IT'S CLEAR THAT WE WILL BE FOCUSING ON STEM CELL
24 RESEARCH FOR THE IMMEDIATE FUTURE. IF THE GRANT COMES
25 IN THAT IS NOT RELATED TO THAT, IF THERE'S AN

1 APPLICATION, THEN OBVIOUSLY THE FACT THAT THERE'S A
2 GRANT APPLICATION WILL CONTROL THAT. AND I THINK TO
3 HAVE A BROAD BAN WOULD BE FAR TOO STRICT AND WOULD
4 EMBROIL US IN JUST THE KIND OF CONTROVERSY THAT THE NIH
5 IS PRESENTLY EMBROILED IN WITH ALL THE ADVERSE
6 PUBLICITY AND THE DIFFICULTIES IN RECRUITING.

7 MY SUGGESTION IS IF AT A LATER TIME IT
8 APPEARS THAT THE INSTITUTE WILL BE MOVING IN A MAJOR
9 WAY INTO OTHER AREAS, THEN WE CAN MAKE AN APPROPRIATE
10 ADJUSTMENT AT THAT TIME.

11 IT'S JUST BEEN BROUGHT TO MY ATTENTION THAT
12 THERE WAS ONE MORE THING THAT DR. PRIETO SUGGESTED, AND
13 THAT IS THAT WE ADD THE PHRASE THAT'S EXPLICITLY
14 ALLOWING -- GIVING INDIVIDUAL TALKS IS NOT PROHIBITED.

15 UNIDENTIFIED SPEAKER: I WAS WONDERING IF YOU
16 WANTED TO AMEND THAT JUST TO SAY STEM CELL RESEARCH AND
17 THERAPIES, COMPANIES THAT ARE DOING STEM CELL RESEARCH
18 AND THERAPIES. THEY'RE NOT DOING THERAPY, BUT THEY
19 MIGHT DO --

20 DR. HALL: IF THAT BECOMES AN ISSUE, AND I
21 GUESS THE DIFFICULTY THAT WE HAD WAS IN WHERE DOES IT
22 TRAIL OFF. IT'S VERY HARD TO DEFINE THE EDGES OF THAT.
23 AND IF A COMPANY IS USING SOME STEM CELL LINES TO
24 SCREEN FOR DRUGS, DOES THAT MEAN -- IT MAY BE EVEN
25 OUT-OF-STATE. DOES THAT MEAN THAT AN EMPLOYEE SHOULD

1 NOT OWN IT? SO OUR OWN FEELING WAS THAT THIS GOT TO
2 THE MATTER AND THAT THIS WAS THE KEY ELEMENT. THIS IS
3 NOW NOT FOR PEOPLE WHO APPLYING FOR GRANTS. SO THAT'S
4 THE POINT.

5 CHAIRMAN KLEIN: OKAY. I THANK YOU. IS THE
6 MOTION -- THE MOTION IS ON THE TABLE. THERE'S A FIRST
7 AND SECOND. ANY MORE BOARD COMMENTS? YES.

8 DR. STEWARD: AS YOU MOVE TOWARD ACCEPTING
9 THIS, I'D JUST LIKE TO COMMENT THAT THERE'S ALWAYS THIS
10 IMPLIED CRITICISM THAT WE'RE TRYING TO WORK HERE ON THE
11 FLY. AND I WANT TO SAY THAT THAT'S THE WAY WE HAVE TO
12 WORK BECAUSE OF BAGLEY-KEENE RULES. IT WOULD BE GREAT
13 TO BE ABLE TO DISCUSS THIS DOCUMENT AND WORK ON IT.
14 BUT THE FACT OF THE MATTER IS THE ONLY TIME WE CAN
15 DISCUSS IT IS IN OPEN MEETING. SO IT IS APPROPRIATE TO
16 MARK UP THE DOCUMENT AND VOTE ON IT AT THIS TIME.

17 CHAIRMAN KLEIN: BASICALLY PUBLIC MARKUPS OF
18 THE DOCUMENT SHOW THE PUBLIC THE ENTIRE PROCESS. WE
19 DON'T HAVE THE ABILITY TO DO MARKUPS WITH THE WHOLE
20 BOARD IN PRIVATE SESSIONS. THAT'S THE INTENT OF
21 BAGLEY-KEENE. AND CAN THEY, HOWEVER, ONCE WE GET PAST
22 THE SPECIAL ASSIGNMENTS ON COMMITTEES THAT WE HAVE,
23 HAVE SOME COMMITTEES THAT HAVE OTHER THINGS AND OPERATE
24 MORE EFFECTIVELY PERHAPS WITH THE PUBLIC PARTICIPATION
25 IN DEPTH IN THOSE SUBCOMMITTEE MEETINGS.

1 UNIDENTIFIED SPEAKER: CALL THE QUESTION.

2 UNIDENTIFIED SPEAKER: CALL THE QUESTION.

3 CHAIRMAN KLEIN: WE HAVE ANY MORE BOARD
4 COMMENTS? NO MORE BOARD COMMENTS. I CALL FOR THE
5 QUESTION. ALL IN FAVOR. OPPOSED? ALL RIGHT.

6 I'D LIKE TO MOVE VERY BRIEFLY FOR DR. HALL TO
7 PRESENT POLICIES FOR THE WORKING GROUP. WE'RE THEN
8 GOING TO GO TO DR. KESSLER'S ITEM ON HIS REPORT FROM
9 THE STANDARDS COMMITTEE. WE HAVE INDIVIDUALS THAT WE
10 NEED TO APPROVE FOR THE STANDARDS WORKING GROUP. DR.
11 HALL.

12 DR. HALL: SO WE NOW MOVE TO A SERIES OF
13 ISSUES ON WORKING GROUPS. AND I WOULD LIKE TO SUGGEST
14 THAT I PRESENT THEM SERIALLY ALL AT ONCE, AND THAT THE
15 COMMITTEE THEN CONSIDER EACH IN TURN FOR A RESOLUTION
16 IN THE INTEREST OF SPEED AND PARTLY BECAUSE THEY ARE
17 INTERRELATED. AND I THINK IF YOU SEE THE WHOLE
18 PICTURE, IT MAY MAKE CONSIDERATION OF INDIVIDUAL
19 ISSUES -- MAY HELP WITH THOSE.

20 CHAIRMAN KLEIN: DR. HALL, I'D LIKE TO, IN
21 THE INTEREST -- ARE YOU SUGGESTING ONE RESOLUTION FOR
22 ALL OF THEM?

23 DR. HALL: NO. I'M SUGGESTING THAT I MAKE MY
24 PRESENTATION FOR ALL THE RESOLUTIONS, AND THEN YOU WILL
25 SEE -- I'LL ASK FOR IT -- I'LL GO THROUGH, I'LL ASK FOR

1 A RESOLUTION, BUT WE WON'T STOP AND DISCUSS IT THEN.
2 WE'LL GO THROUGH, AND THEN AT THE END WE'LL GO BACK AND
3 YOU WILL TAKE OVER AND SAY RESOLUTION NO. 1 IS THIS.
4 LET'S DISCUSS IT. AND THE ONLY REASON FOR DOING THAT,
5 AS I SAY, BECAUSE SEVERAL OF THESE ISSUES ARE TIED
6 TOGETHER, AND I THINK IT'S HELPFUL TO SEE THE WHOLE
7 PICTURE.

8 CHAIRMAN KLEIN: I THINK THAT'S GOOD. AND
9 THEN WE WILL TAKE PUBLIC COMMENT ON ALL THE RESOLUTIONS
10 TOGETHER. THE PUBLIC COMMENT IS APT TO RELATE.

11 DR. HALL: WHILE MY COMPUTER LOOKS GREAT IN
12 FRONT OF ME HERE, BUT WE'RE NOT PLUGGED IN. DO YOU
13 HAVE A PLUG?

14 MS. KING: WE'RE WORKING ON IT.

15 DR. HALL: THE PURPOSE OF THIS IS THAT IF WE
16 ARE TO PUT OUR WORKING GROUPS INTO OPERATION, WE NEED
17 TO RESOLVE A NUMBER OF ISSUES, AND THESE HAVE COME
18 EXPLICITLY AS WE RECRUIT MEMBERS TO THE WORKING GROUP,
19 SOME OF WHOM HAVE ALREADY ASKED ABOUT SOME OF THE
20 QUESTIONS THAT I'VE BEEN OVER TODAY. AND WE WOULD LIKE
21 TO GET THESE RESOLVED SO THAT IN MY DISCUSSIONS WITH
22 THEM, WE CAN TELL THEM WHAT OUR POLICIES ARE.

23 BECAUSE OF THE TIME ELEMENT, WE ARE ONLY
24 GOING TO CONSIDER THE ISSUES FOR TWO OF THE WORKING
25 GROUPS; THAT IS, THE TRAINING GRANTS WORKING GROUP AND

1 THE STANDARDS WORKING GROUP, AND WE WILL HOLD
2 FACILITIES FOR CONSIDERATION AT A LATER TIME.

3 SO LET ME MAKE, FIRST OF ALL, A GENERAL
4 COMMENT ABOUT THE WORKING GROUPS. THESE ARE EXPERTS
5 WHO ARE BROUGHT IN TO ADVISE US EITHER ON SCIENTIFIC
6 AND TECHNICAL EVALUATION OF APPLICATIONS OR ON THE
7 MEDICAL AND ETHICAL STANDARD THAT WE WILL BE USING.
8 THEY ARE NOT -- LET ME REMIND YOU THAT THEY DO NOT MAKE
9 THE FINAL DECISIONS; THAT IS, ALL POLICY DECISIONS AND
10 ALL FUNDING DECISIONS COME TO THE ICOC FOR FINAL
11 RESOLUTION.

12 THE TWO WORKING GROUPS THAT WE'RE GOING TO
13 CONSIDER ARE SOMEWHAT DIFFERENT. THE GRANTS REVIEW
14 WORKING GROUP HAS APPLICATIONS FOR FUNDING THAT COME TO
15 IT FROM A WIDE VARIETY OF INSTITUTIONS, AND IN MOST
16 CASES WE HAVE ISSUES TO DEAL WITH THAT MAY INVOLVE
17 PARTICULAR INSTITUTIONS OR INDIVIDUALS, BUT THEY MAKE
18 FUNDING DECISIONS FOR SPECIFIC APPLICATIONS.

19 THE OTHER COMMITTEE, THE MEDICAL AND ETHICAL
20 STANDARDS, DEALS WITH POLICY. THERE WE ASK OUTSIDE
21 EXPERTS TO COME IN AND DEAL WITH SENSITIVE ISSUES OF
22 MEDICAL AND ETHICAL STANDARDS, BUT THEY DO NOT CONSIDER
23 REQUESTS FOR FUNDING. THE COMMITTEE DOES, HOWEVER,
24 CONSIDER HIGHLY SENSITIVE AND SOMETIMES CONTROVERSIAL
25 MATTERS.

1 SO HERE ARE THE ISSUES THAT WE NEED TO
2 RESOLVE. WE NEED TO RESOLVE CONFIDENTIALITY, WE NEED
3 TO RESOLVE MEETING FORMAT, CONFLICT OF INTEREST, THE
4 CONSULTING RATE, AND THE NEED FOR CHAIRS FOR THESE
5 COMMITTEES.

6 SO LET ME BEGIN WITH THE CONFIDENTIALITY
7 ITEM, AND LET ME REMIND YOU THAT SCIENTISTS WHO SUBMIT
8 APPLICATIONS TO US FOR RESEARCH FUNDING BRING THEIR
9 BEST IDEAS, THEIR UNPUBLISHED DATA, AND SOMETIMES THEIR
10 INTELLECTUAL PROPERTY FOR CONSIDERATION IN A GRANT
11 APPLICATION THAT WE CONSIDER.

12 AND FOR THESE REASONS, TO PROTECT THEM FROM
13 HAVING THEIR IDEAS AND TECHNOLOGIES APPROPRIATED BY
14 OTHERS, AND FOR THE PROTECTION OF THE POTENTIAL
15 INTELLECTUAL PROPERTY RIGHTS TO THE STATE OF
16 CALIFORNIA, WE HAVE A VERY STRONG OBLIGATION TO
17 MAINTAIN THE CONFIDENTIALITY OF THESE APPLICATIONS.

18 ALL THOSE WHO PARTICIPATE IN THE REVIEW
19 EITHER AS REVIEWERS, PATIENT ADVOCATES, OUTSIDE
20 REVIEWERS, PATIENT ADVOCATES, CIRM STAFF, WHO ARE
21 EITHER MANAGING THE REVIEW WHO MAY BE PRESENT AS
22 OBSERVERS, MUST AGREE NOT TO IDENTIFY APPLICANTS BY
23 NAME OR INSTITUTION OR TO DISCUSS APPLICATIONS OUTSIDE
24 OF THE REVIEW SETTING OR TO DISCUSS OR REVEAL ANY OF
25 THE DISCUSSIONS THAT HAVE TAKEN PLACE. AND FINALLY,

1 MUST AGREE NOT TO RETAIN ANY MATERIALS FROM THE REVIEW.

2 THESE ARE WELL-ESTABLISHED POLICIES THAT ARE
3 USED FOR REVIEW OF NIH GRANTS AND FOR MANY PRIVATE
4 FUNDING AGENCIES. THEY'RE ALSO USED BY THE UNIVERSITY
5 OF CALIFORNIA FOR GRANTS REVIEW THAT THEY RUN. WE HAVE
6 INCORPORATED THESE PRINCIPLES INTO A CONFIDENTIALITY
7 AGREEMENT STATEMENT, AND WE ASK EACH REVIEWER, PATIENT
8 ADVOCATE, AND STAFF MEMBER TO SIGN AT THE TIME THEY ARE
9 APPOINTED OR ASSIGNED TO THE REVIEW COMMITTEE WHICH
10 SIMPLY SAYS THEY UNDERSTAND THE CONFIDENTIALITY
11 POLICIES AND WILL ABIDE BY THEM.

12 AT THE END OF EACH REVIEW, WE WILL ASK ALL
13 PARTICIPANTS TO SIGN -- ASK ALL PARTICIPANTS TO SIGN A
14 STATEMENT SAYING THAT THEY HAVE CONFORMED TO THESE
15 PRINCIPLES AT THIS PARTICULAR REVIEW MEETING. THIS IS
16 A REMINDER OF WHAT THE PRINCIPLES ARE. THEY'RE
17 PARTICULARLY REMINDED THAT THEY'RE NOT TO RETAIN THE
18 APPLICATION OR THE MATERIALS OR REPEAT THE DISCUSSIONS
19 THAT HAVE BEEN HAD OUTSIDE THE REVIEW SESSION.

20 SO I ENCLOSED A DRAFT OF A RECOMMENDED
21 STATEMENT. IT'S IN APPENDIX A. IT IS BASED ON NIH
22 STANDARDS AS ADOPTED FOR USE BY THE UNIVERSITY OF
23 CALIFORNIA. UNIVERSITY OF CALIFORNIA HAD A FORM THAT
24 WAS CONSIDERABLY MORE USER FRIENDLY AND SO A PROBLEM
25 WITH THAT, BUT THE PRINCIPLES ARE THE SAME.

1 SO WE SEEK THE APPROVAL OF THE ICOC TO USE
2 THESE FORMS OR A VERSION AMENDED AS YOU SPECIFY AS
3 INTERIM STANDARDS UNTIL NEW POLICIES ARE APPROVED BASED
4 ON RECOMMENDATIONS FROM THE MEDICAL AND ETHICAL
5 STANDARDS WORKING GROUP. SO WE ASK THAT YOU APPROVE
6 THIS POLICY AND PROCEDURES AS MODIFIED WITH RESPECT TO
7 CONFIDENTIALITY.

8 THIS ISSUE THEN LEADS DIRECTLY INTO THE NEXT
9 ISSUE, AND THAT IS MEETING FORMAT. AND LET'S DISCUSS
10 THAT BOTH WITH RESPECT TO THE GRANTS REVIEW COMMITTEE
11 AND ALSO WITH RESPECT TO THE MEDICAL AND ETHICAL
12 STANDARDS COMMITTEE.

13 IF WE ARE TO MAINTAIN THE CONFIDENTIALITY OF
14 GRANT APPLICATIONS, IT FOLLOWS, THEN, THAT THE GRANTS
15 REVIEW COMMITTEE MUST BE -- CANNOT BE PUBLIC MEETINGS,
16 BUT MUST BE ATTENDED ONLY BY THE OUTSIDE EXPERT
17 REVIEWERS, PATIENT ADVOCATES, AND CIRM STAFF, ALL WHO
18 MUST ABIDE BY THE AGREEMENT THAT YOU'VE JUST SEEN.

19 AS THOSE OF YOU WHO ARE FAMILIAR WITH PEER
20 REVIEW KNOW, THERE'S A SECOND ADDED BENEFIT OF
21 CONFIDENTIAL MEETINGS AND THEN DISCUSSIONS OF
22 SCIENTIFIC QUALITY, QUALIFICATIONS OF THE APPLICANTS IN
23 TERMS OF THEIR SCIENTIFIC ACHIEVEMENTS AND CLINICAL
24 ACHIEVEMENTS AND ABILITY TO DO WHAT THEY PROPOSE IN
25 THEIR APPLICATIONS. AND THE POTENTIAL PROMISE OF

1 DIFFERENT APPROACHES IS MUCH MORE CANDID WHEN THE
2 DISCUSSION OCCURS IN PRIVATE. MANY OF OUR COLLEAGUES
3 WHO MAKE STRONG JUDGMENTS IN PRIVATE ARE OFTEN
4 RELUCTANT TO DO SO IN PUBLIC, PARTICULARLY WHEN IT
5 COULD AFFECT THE FUNDING OF A COLLEAGUE'S LABORATORY.
6 IN FACT, THIS PRINCIPLE IS SO WELL ESTABLISHED THAT WE
7 BELIEVE THAT MANY SCIENTISTS WHO WE WOULD CHOOSE TO BE
8 ON THE WORKING GROUPS WOULD REFUSE TO PARTICIPATE IF
9 THE GRANT REVIEW COMMITTEE MEETINGS WERE TO BE PUBLIC
10 AND TO FOLLOW BAGLEY-KEENE.

11 LET ME JUST SAY THAT THIS IS WELL-ESTABLISHED
12 AND IS THE GOLD STANDARD IN THE SENSE THAT IT HAS BEEN
13 USED FOR 50 YEARS.

14 PROPOSITION 71 USES A CLOSED FORMAT WITH
15 OTHER FUNDING AGENCIES. IT MAINTAINS CONFIDENTIALITY
16 AND HAS A CRITICAL REVIEW. THE OTHER POSSIBILITY IS AN
17 OPEN FORMAT. THESE MEETINGS WILL BE BAGLEY-KEENE
18 MEETINGS WHICH WE RUN AS THIS ONE IS RUN. LET ME
19 REMIND YOU THIS ALSO WAS IN THE PETITION SUBMITTED BY
20 CHARLES HALPERN AND DR. PHILLIP LEE, WHICH ALSO CALLED
21 FOR OPEN MEETINGS FOR ALL WORKING GROUPS, INCLUDING THE
22 GRANTS REVIEW. AND THE ADVANTAGES ARE THE DISCUSSIONS
23 ARE ALL AVAILABLE TO THE PUBLIC. THE DISADVANTAGES ARE
24 WE WOULD RECEIVE INCOMPLETE APPLICATIONS, AND THERE
25 WOULD BE A DIFFICULTY OBTAINING REVIEWERS.

1 SO THE CIRM RECOMMENDS TO THE ICOC APPROVAL
2 OF THE PROPOSED FORMAT FOR THE GRANTS REVIEW WORKING
3 GROUP; THAT IS, TO REAFFIRM PROPOSITION 71.

4 THE SITUATION IS A LITTLE BIT DIFFERENT AS
5 FAR AS THE MEDICAL AND ETHICAL STANDARDS WORKING GROUP
6 BECAUSE THEY DO NOT DO CONFIDENTIAL GRANT APPLICATIONS.
7 THEY DO, HOWEVER, HAVE DISCUSSIONS OF SENSITIVE ISSUES,
8 AND I THINK IT'S WITH THIS INTENT THAT THE PROPOSITION
9 OR WITH THIS UNDERSTANDING THAT THE PROPOSITION CALLED
10 FOR A CLOSED MEETING.

11 IT HAS ALSO BEEN SUGGESTED BY MR. HALPERN AND
12 DR. LEE THAT THERE BE ALL OPEN MEETINGS FOR THE MEDICAL
13 AND ETHICAL STANDARDS, AND THIS IS ALSO A POSSIBLE
14 RESOLUTION CHOICE BY THE ICOC. IT HAS THE OBVIOUS
15 ADVANTAGE THAT ALL THE DISCUSSIONS ARE PUBLICLY
16 ACCESSIBLE.

17 THERE IS A MIDDLE GROUND, WHICH IS A
18 COMBINATION OF OPEN AND CLOSED MEETINGS, SUCH AS ARE
19 USED BY THE NATIONAL ACADEMIES IN THEIR COMMITTEE
20 MEETINGS WHICH IN MANY WAYS ARE SIMILAR TO OUR MEDICAL
21 AND ETHICAL STANDARDS. THAT IS, THESE ARE COMMITTEES
22 THAT CONSIDER POLICY ISSUES, NOT GRANT APPLICATIONS,
23 AND THEY CONSIDER OFTEN CONTROVERSIAL POLICY ISSUES.
24 AND IN ACTUAL FACT THERE IS A NATIONAL ACADEMY
25 COMMITTEE NOW WHICH IS FORMULATING STANDARDS, A BLUE

1 RIBBON COMMITTEE FOR STEM CELL RESEARCH. AND THIS IS
2 PRECISELY WHAT OUR GROUP WILL BE DOING, AND IT IS THOSE
3 STANDARDS THAT WE LOOK TO.

4 RICHARD HINES, A DISTINGUISHED BIOLOGIST FROM
5 MIT, AND JONATHAN MORENO, WHO IS A DISTINGUISHED
6 ETHICIST FROM UNIVERSITY OF VIRGINIA ARE THE CO-CHAIRS
7 OF THIS COMMITTEE. I INCLUDED THE MATERIALS FROM A
8 LETTER FROM THEM IN WHICH THEY DESCRIBE THE VIRTUES OF
9 EACH OF THESE MEETINGS.

10 I THINK ONE OF THE POINTS THAT WAS MADE THAT
11 AT LEAST HAD SOME RESONANCE WITH ME IS THAT IN
12 DISCUSSION OF THESE DIFFICULT ISSUES, AS LONG AS THE
13 DISCUSSIONS ARE PUBLIC, PEOPLE ARE CONSTRAINED FROM
14 OFTEN TAKING EXTREME POSITIONS OR TAKING INTERMEDIATE
15 POSITIONS IN THE COURSE OF THE DISCUSSION. THAT IS,
16 IT'S MUCH MORE DIFFICULT TO CHANGE YOUR POSITION WHEN
17 YOU ARE IN PUBLIC THAN IT IS IN PRIVATE WHERE THERE'S A
18 GIVE AND TAKE OF THESE DIFFICULT ISSUES. ONE MAY BE
19 ACTUALLY INFLUENCED BY WHAT A COLLEAGUE SAYS, AND, GEE,
20 I THINK I'M GOING TO CHANGE MY MIND ON THAT ONE. AND
21 IF YOU'VE TAKEN A STAND IN PUBLIC, IT'S THE POINT THAT
22 WAS MADE TO ME, THIS IS MORE DIFFICULT.

23 MY OWN SENSE OF THIS, AND I'M SPEAKING FOR
24 CIRM, IS THAT WE WILL NEED TO HAVE OPEN MEETINGS AS A
25 PART OF THE PROCESS FOR THE MEDICAL STANDARDS GROUP.

1 AND OUR OWN RECOMMENDATIONS WOULD BE EITHER THE
2 NATIONAL ACADEMY MODEL WHICH HAS A MIXTURE OF PUBLIC
3 DATA COLLECTING SESSIONS WHERE ANYBODY CAN COME,
4 CONTRIBUTE, STATE POSITIONS. OFTEN THE QUESTIONS ARE
5 PUT OUT BEFOREHAND ON THE WEB SO THAT EVERYBODY KNOWS
6 WHAT THE AGENDA IS, BUT ANYBODY CAN PRESENT ON ANY
7 RELEVANT TOPIC. AND THEN TO HAVE CLOSED DELIBERATIVE
8 SESSIONS. I'M SORRY I DIDN'T STATE THAT EXPLICITLY
9 BEFORE.

10 THE NATIONAL ACADEMY MODEL IS TO MIX THESE
11 TWO. THAT IS, YOU HAVE OPEN SESSIONS WHICH ARE DATA
12 COLLECTING SESSIONS, AS THEY CALL THEM, CALLING FOR ALL
13 KINDS OF OPINIONS ON WHATEVER ISSUES YOU'RE
14 CONSIDERING. THEN THEY COME INTO CLOSED SESSIONS AND
15 HAS ITS OWN DELIBERATIONS AND EMERGES FROM THAT WITH A
16 POLICY STATEMENT.

17 CHAIRMAN KLEIN: DR. HALL, IF I COULD BUILD
18 OUT THAT WHOLE MODEL FOR THE BENEFIT OF THE PUBLIC AND
19 THE BOARD, WHEN YOU MERGE THE NATIONAL ACADEMY'S MODEL,
20 YOU HAVE THE PUBLIC HEARINGS FOR INPUT. THEN YOU HAVE
21 THE CONFIDENTIAL WORKING SESSIONS WHERE YOU DO MARKUPS.
22 AS BRUCE ALBERT SAID IN A LETTER TO ME, WHICH I
23 DISTRIBUTED A NUMBER OF TIMES, THAT PROTECTS INDIVIDUAL
24 INTERVIEWERS FROM LOBBYISTS TRYING TO INFLUENCE POINTS
25 OF VIEW. IT ALLOWS THE BEST STANDARDS TO BE PUT

1 TOGETHER.

2 THEN UNDER THEIR MODEL, THEY HAVE A PUBLIC
3 POSTING OF THOSE FOR PUBLIC COMMENT AND THEN HEARINGS
4 TO ADOPT THEM. UNDER OUR MODEL WE HAVE THE
5 ADMINISTRATIVE PROCEDURES ACT IN CALIFORNIA, WHICH IS A
6 PUBLIC POSTING JUST LIKE IN THEIR MODEL, AND WE WOULD
7 HAVE PUBLIC HEARINGS TO ADOPT THEM, WHICH WILL BE AT
8 THIS BOARD. IN ADDITION, THIS BOARD CAN HOLD, BESIDES
9 PUBLIC MEETINGS, AN ACTUAL PUBLIC MEETING ON STANDARDS
10 JUST FOCUSING ON THAT ONE TOPIC DURING THE DAY.

11 BUT ANY CASE, IF IT IS THE NATIONAL ACADEMIES
12 MODEL, UNDER OUR INITIATIVE, AFTER WE HAVE THE PUBLIC
13 HEARINGS, WE HAVE TO PUBLISH EVERYTHING UNDER THE
14 ADMINISTRATIVE PROCEDURES ACT WITH PUBLIC COMMENT, AND
15 WE HAVE TO ADOPT EVERYTHING THROUGH A PUBLIC MEETING.
16 SO THE NATIONAL ACADEMIES' MODEL HAS A PUBLIC MEETING
17 AT THE FRONT END, BUT IT ALLOWS THEM TO DO CONFIDENTIAL
18 WORKING SESSIONS WHERE THEY CAN WORK MUTUALLY TOGETHER
19 ON THE BEST LANGUAGE AND THE BEST STANDARDS.

20 DR. HALL: OKAY. LET'S MOVE ON TO THE NEXT
21 TOPIC, WHICH IS WE'RE RAPIDLY COVERING ONE
22 CONTROVERSIAL TOPIC AFTER ANOTHER HERE, BUT THE NEXT
23 ONE IS CONFLICT OF INTEREST. AND THE ISSUES ARE
24 DIFFERENT FOR THE TWO DIFFERENT COMMITTEES, SO I WANT
25 TO PRESENT THEM SEPARATELY.

1 THIS NOW IS APPENDIX B, AGENDA ITEM 11, WHICH
2 IS THE CIRM CONFLICT OF INTEREST POLICY FOR THE GRANTS
3 REVIEW WORKING GROUP MEMBERS. THIS POLICY STATEMENT
4 IDENTIFIES THREE KINDS OF CONFLICT OF INTEREST,
5 FINANCIAL, PROFESSIONAL, AND PERSONAL. MANY OF THEM
6 ARE FAMILIAR TO YOU. THE FINANCIAL ISSUE IS THAT IF
7 ANYBODY HAS RECEIVED A FINANCIAL BENEFIT FROM AN
8 APPLICANT INSTITUTION UNRELATED TO THE PROPOSAL OVER
9 \$5,000 A YEAR, THEY HAVE A FINANCIAL CONFLICT OF
10 INTEREST. I SAY THAT BECAUSE OFTEN A REVIEWER MAY GO
11 TO A UNIVERSITY TO GIVE A SEMINAR AND BE ON A REVIEW
12 COMMITTEE OR SOMETHING LIKE THAT. IF THEY GO SEVERAL
13 TIMES IN THE COURSE A YEAR, THEY MAY RECEIVE SOME SMALL
14 AMOUNTS OF MONEY FROM AN INSTITUTION THAT ARE
15 COMPLETELY UNRELATED TO THE PROPOSAL AT HAND. THAT IS
16 TO LEAVE THAT OPEN.

17 THESE ARE MODELED VERY CLOSELY ON NIH
18 STANDARDS FOR THE STUDY SECTION MEMBERS AS USED BY THE
19 CALIFORNIA BREAST CANCER RESEARCH INSTITUTE -- SORRY --
20 CALIFORNIA BREAST CANCER RESEARCH PROGRAM.

21 THERE IS, AGAIN, A PROFESSIONAL CONFLICT OF
22 INTEREST, WHICH WE'VE TALKED ABOUT BEFORE. IT ALSO
23 INCLUDES AN ITEM FROM THE NIH AND INTEGRATES CALIFORNIA
24 STANDARDS. IT SAYS IF AN APPLICANT IS SOMEONE WITH
25 WHOM THE REVIEWERS HAVE A LONG STANDING SCIENTIFIC

1 DIFFERENCE OF DISAGREEMENT THAT ARE KNOWN TO THE
2 PROFESSIONAL COMMUNITY AND THAT WOULD BE PERCEIVED AS
3 AFFECTING THE REVIEWER'S OBJECTIVITY, THEY HAVE A
4 CONFLICT OF INTEREST. THEN FINALLY, IF THEY ARE CLOSE
5 FAMILY MEMBERS OR CLOSE PERSONAL FRIENDS.

6 SO THIS IS STATEMENT OF POLICY. WE ASK EACH
7 GRANTS REVIEW WORKING GROUP MEMBER TO SIGN AN AGREEMENT
8 WITH THIS POLICY. BEFORE EACH REVIEW, EACH WORKING
9 GROUP MEMBER RECEIVES A LIST OF THE GRANTS AND THE
10 APPLICANTS, AND THEY ARE ASKED TO IDENTIFY ANY GRANTS
11 FOR WHICH THEY MAY HAVE A CONFLICT OF INTEREST. THAT
12 IS MONITORED AND OVERSEEN BY CIRM STAFF ASSOCIATED WITH
13 GRANTS, AND THAT'S ONE OF THE IMPORTANT FUNCTIONS THAT
14 THEY DO. IF THEY IDENTIFY A CONFLICT OF INTEREST, THEN
15 THEY ARE NOT ALLOWED TO BE PRESENT FOR THE DISCUSSION
16 OR VOTING ON THAT PARTICULAR APPLICATION.

17 AFTER THE REVIEW, THEN ALL THE MEMBERS ON THE
18 WORKING GROUP SIGN A STATEMENT UNDER OF THE PENALTY
19 PERJURY THAT THEY HAVE NOT PARTICIPATED IN REVIEW OF
20 ANY GRANT FOR WHICH THEY HAVE A CONFLICT OF INTEREST.
21 AND, AGAIN, THIS FOLLOWS NIH GUIDELINES IN THE FORM
22 THAT YOU SEE IN YOUR MATERIALS WHICH ARE PRINTED C AND
23 D ON MODIFIED FORMS FOR PREREVIEW AND POSTREVIEW
24 CERTIFICATION FOR THE GRANTS REVIEW COMMITTEE.

25 THE NEXT ITEM, THEN, IS FOR MEDICAL AND

1 ETHICAL STANDARDS. AND HERE, THEN, REMEMBER THAT THIS
2 WORKING GROUP WILL NOT RECEIVE APPLICATIONS FOR
3 FUNDING, BUT THEY WILL BE GIVEN A FORM WHICH DESCRIBES
4 CONFLICT OF INTEREST AND ASKS THEM IF THEY HAVE A
5 CONFLICT OF INTEREST WITH THESE POLICIES. AND, AGAIN,
6 IT INVOLVES FINANCIAL INTEREST, IT INVOLVES WHETHER OR
7 NOT THERE WOULD BE AN EFFECT ON THE OUTCOMES ON THE
8 WORKING GROUP. THIS IS NOW APPENDIX E ON THIS. WOULD
9 CURRENT RESEARCH FUNDING OR RESEARCH SUPPORT BE
10 AFFECTED? WOULD THERE IDEA CREATE A COMMERCIAL
11 ADVANTAGE. FINALLY, AN INTERESTING ONE, WHICH HAS
12 ADOPTED ALL OF THIS FROM THE NATIONAL ACADEMIES, DO YOU
13 HAVE AN EXISTING PROFESSIONAL OBLIGATION THAT
14 EFFECTIVELY REQUIRES YOU TO PUBLICLY DEFEND THE
15 PREVIOUSLY ESTABLISHED POSITION ON AN ISSUE THAT IS
16 RELEVANT TO THE FUNCTIONS BEING PERFORMED BY THE
17 WORKING GROUP.

18 IF MEMBERS CANNOT FEEL THEY HAVE A CONFLICT
19 OF INTEREST IN THIS, THEN IT WILL BE DISCUSSED WITH
20 CIRM STAFF MEMBERS, AND IF JUDGED TO BE SUBSTANTIAL,
21 THEY'LL BE ASKED TO DISQUALIFY THEMSELVES FROM
22 MEMBERSHIP ON THE WORKING GROUP.

23 TWO OTHER, I HOPE, RATHER QUICK ISSUES. THE
24 CONSULTING RATE. PER DIEM OF \$500 FOR WORKING GROUP
25 MEMBERS FOR THE MEETING ITSELF, AND A SUPPLEMENT OF UP

1 TO \$500 FOR CLERICAL SUPPORT RELATED TO WORK IN
2 PREPARATION FOR THE MEETING, TRAVEL, AND OUT-OF-POCKET
3 EXPENSES REIMBURSED. AND WE WILL ASK FOR APPROVAL OF
4 THIS CONSULTING RATE FOR NON-IOC WORKING GROUP MEMBERS.

5 FINALLY, IT WAS NECESSARY THAT EACH OF THESE
6 GROUPS HAVE CHAIRS, AND THE CHAIRS ARE EXTREMELY
7 IMPORTANT. THEY WILL WORK WITH THE CIRM STAFF TO
8 ORGANIZE THE MEETINGS, THEY WILL WORK WITH ASSIGNMENT
9 OF APPLICATIONS TO APPROPRIATE PRIMARY AND SECONDARY
10 REVIEWERS, THEY WILL PRESIDE OVER THE MEETING, AND THEY
11 ARE -- FOR THOSE OF YOU WHO HAVE SERVED ON STUDY
12 SECTIONS, A GOOD CHAIR IS ABSOLUTELY ESSENTIAL TO
13 HAVING A GOOD REVIEW COMMITTEE. AND ALSO I DON'T THINK
14 WE HAVE TO EMPHASIZE FOR THE STANDARDS COMMITTEE HOW
15 IMPORTANT IT WILL BE TO HAVE AN ABLE CHAIR. THOSE
16 PEOPLE NEED TO BE IN PLACE BEFORE THE FIRST MEETING.

17 SO WE ARE REQUESTING, ASKING YOU TO REQUEST
18 OF THE SUBCOMMITTEES, AND AT THE TIME THEY SELECT
19 MEMBERS, THAT THEY ALSO PROPOSE A NOMINEE FOR CHAIR OF
20 THESE COMMITTEES SO THAT WE CAN START OUT WITH A CHAIR
21 AND WORK WITH THEM FROM THE VERY BEGINNING.

22 SO THOSE CONCLUDE THE ISSUES. LET ME JUST
23 REMIND YOU WE HAVE, THEN, FIVE RESOLUTIONS THAT WE'VE
24 REQUESTED, THE CONFIDENTIALITY POLICY, A RESOLUTION
25 ESTABLISHING THE MEETING FORMAT, THIS IS ACTUALLY TWO

1 RESOLUTIONS, A RESOLUTION ESTABLISHING THE REVIEW
2 FORMAT FOR THE GRANTS REVIEW COMMITTEE, AND I THINK A
3 SEPARATE RESOLUTION FOR MEDICAL AND ETHICAL STANDARDS
4 REVIEW COMMITTEE. WE WILL NOT CONSIDER THE FACILITIES
5 COMMITTEE TODAY. AND THEN A RESOLUTION OR PERHAPS TWO
6 APPROVING THE POLICIES AND FORMS OF CIRM WITH
7 APPROPRIATE MODIFICATION BY THE ICOC AS NEEDED, WITH
8 RESPECT TO CONFLICT OF INTEREST. AND NO. 4, THE
9 CONSULTING PAYMENT AND STAFF REIMBURSEMENT. AND
10 FINALLY, THE CHAIRS.

11 AND I SHOULD HAVE MENTIONED, IF I DID NOT,
12 THAT WE WILL OFFER ADDITIONAL COMPENSATION TO THE
13 CHAIRS TO REFLECT THE CONSIDERABLE WORK THAT THEY WILL
14 DO ON THESE, AND WE WILL OFFER THEM AN ADDITIONAL \$500
15 A DAY WITH A STIPULATED ALLOWANCE OF FIVE DAYS PER
16 MEETING THAT WILL REFLECT THEIR WORKLOAD.

17 MR. SERRANO-SEWELL: FOR THE LAST RESOLUTION,
18 ARE WE SEEKING THIS TO CONSIDER THAT THE SUBCOMMITTEE
19 CHAIRS RECOMMEND THE CHAIR OF THE WORKING GROUP?

20 DR. HALL: AT THE NEXT MEETINGS OF THE
21 SUBCOMMITTEE ITSELF.

22 MR. SERRANO-SEWELL: THE REPORT HAD CHAIRS.

23 DR. HALL: THEIR CHAIRS WILL REPORT TO THIS
24 GROUP NEXT -- THAT'S PERHAPS A MISSTATEMENT. WHAT WE'D
25 LIKE TO DO IS TO ASK THE SUBCOMMITTEE THROUGH ITS CHAIR

1 TO RECOMMEND A CHAIR FOR THE WORKING GROUP AT THE SAME
2 TIME THAT THEY PROPOSE THE MEMBERS OF THE WORKING
3 GROUP. DOES THAT MAKE SENSE?

4 MR. SERRANO-SEWELL: THANK YOU FOR THAT
5 CLARIFICATION.

6 YES, IT DOES.

7 CHAIRMAN KLEIN: YES, DR. HENDERSON.

8 DR. HENDERSON: I THINK THAT'S HEROIC WORK.
9 JUST FOR THE RECORD, IN CASE THE PUBLIC ISN'T AWARE OF
10 THIS, THE UNIVERSITY OF CALIFORNIA HAS ADMINISTERED
11 TWO -- AT LEAST TWO, THREE GRANT PROGRAMS THROUGH A
12 PEER REVIEW MECHANISM FROM MONIES PROVIDED BY THE STATE
13 OF CALIFORNIA FOR BREAST CANCER, TOBACCO RELATED AND
14 AGING. THESE FORMS THAT HAVE BEEN ADOPTED IN THE RULES
15 AS DR. HALL PRESENTED, MANY OF THEM ARE ADAPTED FROM 15
16 OR SO YEARS OF EFFORT THAT'S BEEN PUT INTO THE SAME
17 ISSUES, THE SAME SORT OF FORMS THAT HAVE WORKED SO WELL
18 FOR THESE COMMITTEES. AND I THINK AS A SCIENTIST IN
19 THE COMMUNITY OF CALIFORNIA, I THINK THEY'VE HELD UP
20 WELL. THOSE COMMITTEES HAVE DONE A VERY, VERY GOOD JOB
21 OVER THE YEARS WITH VERY, VERY LITTLE EVIDENCE LINKED
22 TO CONFLICT OF INTEREST OR RELATED ISSUES.

23 SO I THINK WE HAVE A GOOD STANDARD EVEN
24 THOUGH IT IS THE STATE OF CALIFORNIA LET ALONE NIH.

25 CHAIRMAN KLEIN: DR. LEVEY.

1 DR. LEVEY: YES. I'D LIKE TO AGREE WITH
2 BRIAN. IT'S A GREAT JOB ON THESE. TWO POINTS. IT
3 CAME UP OCCASIONALLY DURING OUR PHONE CALLS WITH
4 RESPECT TO THE RULES, AND I HAD RAISED IT AT ONE OF OUR
5 SUBCOMMITTEE MEETINGS. WOULD ALL THE MEETINGS -- WOULD
6 ALL THE MEETINGS BE IN CALIFORNIA? MAYBE IT'S NOT
7 APPROPRIATE TO RAISE IN THIS DOCUMENT. BUT THAT CAME
8 UP AT LEAST TWICE THAT I REMEMBER ON A PHONE CALL.

9 CHAIRMAN KLEIN: WE WILL DO OUR BEST TO WORK
10 WITH OUR CHAIR AND OUR STAFF TO GIVE SOME GEOGRAPHICAL
11 RELIEF, I WOULD SAY, TO OUR COLLEAGUES, PARTICULARLY ON
12 THE EAST COAST. I THINK ALL OF US ON THE WEST COAST
13 IT'S VERY RARE THAT ANY MEETING IN WASHINGTON IS
14 PRACTICALLY A THREE-DAY COMMITMENT OR A RED EYE FLIGHT.
15 I WILL SAY THAT THAT GETS HARDER AS ONE'S CAREER
16 ADVANCES. SO I THINK WE WOULD LIKE -- BECAUSE WE
17 REALLY NEED PARTICIPATION OF THE VERY BEST PEOPLE IN
18 THE COUNTRY IN THESE WORKING GROUPS, THEY DON'T HAVE A
19 STRAIGHTFORWARD REASON OR COMPENSATION SCIENTIFICALLY
20 FOR DOING THIS. NONE OF THEM ARE ELIGIBLE FOR FUNDING,
21 AND SO THAT IS A PROBLEM. SO WE ARE, AS YOU KNOW,
22 TRYING TO PERSUADE THEM TO PARTICIPATE. AND TO THE
23 EXTENT POSSIBLE, WE WILL DO EVERYTHING WE CAN TO HAVE
24 REGIONAL GROUPS OR TO HAVE TELECONFERENCING, IF
25 NECESSARY. WE WILL REALLY BE RESPECTFUL OF THEIR TIME

1 AS MUCH AS WE CAN.

2 DR. LEVEY: I WAS GOING TO ASK AS A SECOND
3 SORT OF RAISE THE POSSIBILITY OF MAYBE PAYING THEM A
4 \$1,000 A DAY CONSULTING FEE BECAUSE, AGAIN, THEY HAVE
5 NO STAKE IN THIS OTHER THAN THEIR COMMITMENT TO STEM
6 CELL RESEARCH AND THEIR ADMIRATION FOR THE STATE OF
7 CALIFORNIA FOR DOING THIS. HOW DO YOU ARRIVE AT THAT
8 DOLLAR FIGURE? AND YOU AS A CERTAINLY NATIONALLY
9 RANKED SCIENTIST FEEL THAT THAT'S ADEQUATE TO PAY THEM?

10 DR. HALL: WELL, I THINK ONE BALANCES IN THIS
11 CASE SORT OF OUR DESIRE TO HAVE THEM, WHAT IS SORT OF
12 THE GOING RATE FOR PEOPLE'S TIME, AND ALSO THE
13 PERCEPTION OF THE PUBLIC ABOUT THE AMOUNTS OF MONEY
14 THAT ARE BEING SPENT. IT WAS THOSE THREE THINGS THAT
15 LED US TO A FIGURE OF \$500. IT IS THE ICOC'S
16 PREROGATIVE TO CHANGE THAT OR TO CHANGE ANY OF THE
17 THINGS THAT I SAID ACTUALLY IF YOU WISH BEFORE YOU
18 PASS.

19 IT SEEMED TO US SORT OF A COMPLICATED
20 BALANCING, AND THAT SEEMED ABOUT RIGHT. IF OTHERS FEEL
21 DIFFERENTLY, IT CERTAINLY CAN BE CHANGED, EITHER
22 INCREASED OR DECREASED.

23 CHAIRMAN KLEIN: LET ME DO THIS. I'VE BEEN
24 WORKING ON THIS SIDE OF THE ROOM. LET ME GO TO JEFF
25 SHEEHY AND THEN TO DR. KESSLER, AND THEN WE'LL COME

1 BACK TO THIS SIDE.

2 MR. SHEEHY: I THINK WHAT WOULD BE USEFUL,
3 BECAUSE THERE ARE DIFFERENT PARTS OF THIS THAT I'D LIKE
4 TO WEIGH IN ON, BUT MAYBE IF WE COULD GO DOWN ONE BY
5 ONE AND MAYBE PROCEED THROUGH THIS RESOLUTION BY
6 RESOLUTION BECAUSE WE'VE TALKED ABOUT THREE OR FOUR
7 DIFFERENT PIECES OF THIS, AND LET'S HAVE OUR DISCUSSION
8 AND PASS WHAT WE CAN PASS.

9 CHAIRMAN KLEIN: I THINK IT'S GOOD THAT DR.
10 HALL HAS GIVEN YOU AN OVERVIEW, SO YOU CAN SEE HOW THE
11 PIECES THEN RELATE. WHY DON'T WE PROCEED WITH YOUR
12 SUGGESTION, JEFF, AND FOCUS OUR DISCUSSION RIGHT NOW ON
13 THE FIRST ITEM.

14 DR. HALL: JUST CONFIDENTIALITY?

15 CHAIRMAN KLEIN: YES.

16 DR. KESSLER: SO I TOO WANT TO SECOND MY
17 COLLEAGUES. I THINK THIS IS TERRIFIC WORK, ZACH. I
18 VERY MUCH APPRECIATE IT. I HAVE NO QUESTION ABOUT
19 CONFIDENTIALITY IN THE GRANTS WORKING GROUP. YOU'VE
20 MADE AN OVERLY COMPELLING ARGUMENT.

21 I SEE THIS COMPROMISE IN THE STANDARDS
22 WORKING GROUP OF SOME OPEN AND SOME CLOSED, AND I HEAR
23 THE TERM "SENSITIVE ISSUE."

24 I GUESS IN ORDER TO CLOSE, I THINK THERE
25 NEEDS TO BE A VERY COMPELLING CASE, AND I'M NOT SURE I

1 SEE THAT IN THE ISSUES THAT THE WORKING GROUP ON
2 STANDARDS WILL HAVE. SO I GUESS THE QUESTION IS ARE
3 THERE EXAMPLES WHERE YOU CAN MAKE THE CASE FOR WHERE
4 CONFIDENTIALITY IS ESSENTIAL ON STANDARDS?

5 DR. HALL: I CAN SIMPLY REPEAT FROM A
6 CONVERSATION WITH RICHARD HINES ABOUT THIS BECAUSE THEY
7 ARE CONSIDERING EXACTLY THE SAME ISSUES THAT WE ARE
8 CONSIDERING. AND HE FELT, AS THE LETTER FROM HIMSELF
9 AND JONATHAN MORENO REFLECTS, THAT THAT DELIBERATION
10 OUT OF THE PUBLIC LIMELIGHT WAS ESSENTIAL TO GETTING
11 SOME SORT OF CONSENSUS.

12 DR. KESSLER: I HEAR THAT STATEMENT, BUT MY
13 QUESTION --

14 DR. HALL: LET ME SAY THERE'S A QUESTION OF
15 PROCEDURE HERE. JEFF SHEEHY PROPOSED THAT WE TAKE
16 THESE ISSUES ONE BY ONE. AND WE'VE NOW JUMPED TO THE
17 FOURTH.

18 DR. KESSLER: I THOUGHT CONFIDENTIALITY
19 WAS -- I'M SORRY.

20 CHAIRMAN KLEIN: WE'RE GOING WITH --

21 DR. HALL: CONFIDENTIALITY IS NOT THE SAME AS
22 THE OPEN MEETING PART.

23 CHAIRMAN KLEIN: CONFIDENTIALITY FOR PEER
24 REVIEW, AND THEN WE'LL GO TO THE FOURTH ITEM NEXT.

25 WHO WOULD LIKE TO ADDRESS THAT ISSUE OF PEER

1 REVIEW? DR. MURPHY.

2 DR. MURPHY: ZACH, IN THE NIH SYSTEM THERE IS
3 INHERENT PROTECTIONS AGAINST INTELLECTUAL PLAGIARISM
4 WHERE SOMEONE ON MY STUDY SECTION WOULD TAKE AN IDEA
5 AND APPLY IT IN THEIR OWN LABORATORY. THERE ARE
6 SANCTIONS IN THE NIH SYSTEM FOR THAT, BUT WE DON'T HAVE
7 IT HERE. ARE YOU COMFORTABLE ASSUMING THAT THERE WILL
8 NOT BE INTELLECTUAL PLAGIARISM, OR DO WE HAVE TO
9 SPECIFICALLY STATE THAT ANY INFORMATION GAINED BY A
10 REVIEWER WOULD NOT BE TAKEN AWAY FROM THE PROCESS THAT
11 WE ARE INVOLVED IN?

12 DR. HALL: WHAT ARE THE NIH MECHANISMS THAT
13 YOU'RE THINKING OF?

14 DR. MURPHY: WELL, THE NIH MECHANISM WOULD BE
15 THAT SOMEONE WOULD BE ACCUSED OF INTELLECTUAL
16 PLAGIARISM BY TAKING AN IDEA FROM THE PROCESS AND
17 APPLYING IT IN HIS OR HER OWN LAB. IF THAT WERE
18 UNCOVERED, THEN THE NIH COULD HAVE SANCTION THAT PERSON
19 EITHER THROUGH FUNDING OR SOME OTHER MECHANISM.

20 DR. HALL: WE COULD CERTAINLY PUT A STATEMENT
21 TO THAT EFFECT IN OUR CONFIDENTIALITY POLICY THAT
22 YOU'RE NOT ALLOWED TO DISCUSS OR USE THE IDEAS. I
23 WOULD BE HAPPY TO DO THAT. IN THE INTEREST OF MOVING
24 ON, IF WE COULD DO THAT IN THE SPIRIT AS WE DID IN THE
25 PREVIOUS ONE, AND THAT IS WE TAKE THAT FROM THIS

1 INTERIM STANDARD, AND WE WILL CRAFT SOMETHING TO THAT
2 EFFECT. IT SEEMS TO ME THAT'S A RELATIVELY MINOR
3 ADDITION.

4 CHAIRMAN KLEIN: ON THIS SIDE, ADDITIONAL
5 BOARD COMMENTS? LET ME GO TO DR. PRECIADO.

6 DR. PRECIADO: THIS IS JUST A BASIC QUESTION.
7 I HAVE A PHYSICIAN WHO HAS REQUESTED TO BE ON THE
8 GRANTS REVIEW BOARD. IS THAT STILL OPEN? HOW DO WE
9 PROCESS THOSE KINDS OF REQUESTS?

10 CHAIRMAN KLEIN: AT THE MOMENT, DR. PRECIADO,
11 WE ARE GOING TO BE FOCUSING JUST ON THE CONFIDENTIALITY
12 ISSUE AT MR. SHEEHY'S REQUEST. WE CAN -- DR. HALL CAN
13 ADVISE YOU RIGHT AFTER THIS HEARING ON THAT
14 SPECIFICALLY.

15 ANY ADDITIONAL ITEMS RELATED TO THAT
16 POSITION? OKAY. SHALL WE GO TO THE SECOND ITEM?

17 DR. HALL: DO YOU WANT TO HAVE PUBLIC COMMENT
18 AND A VOTE?

19 CHAIRMAN KLEIN: THE CONCEPT WAS -- SO THE
20 PUBLIC CAN COMMENT ON THE INTERRELATIONSHIPS OF THESE.

21 DR. HALL: ALL RIGHT. SO YOU WANT TO DISCUSS
22 THEM ONE BY ONE. IS THAT IT?

23 CHAIRMAN KLEIN: WE ARE GOING TO GO THROUGH
24 ONE BY ONE, AND THEN THE PUBLIC CAN DISCUSS ALL OF
25 THEM.

1 DR. HALL: THE SECOND ISSUE, THEN, IS THE
2 MEETING FORMAT FOR THE WORKING -- FOR THE GRANTS REVIEW
3 WORKING GROUP, OPEN OR CLOSED? IS THERE ANY DISCUSSION
4 ON THAT ISSUE BY ONE OF THE ICOC MEMBERS?

5 CHAIRMAN KLEIN: DR. PRIETO.

6 DR. PRIETO: IT SEEMS TO ME FOR THE GRANTS
7 WORKING GROUP ALSO THERE WOULD BE A POTENTIAL TO HAVE A
8 MIXED MODEL, NOT FOR THE REVIEW OF GRANTS THEMSELVES,
9 BUT IN ORDER TO PROVIDE, AS SOME FUNDING GROUPS DO,
10 PATIENT ADVOCATE INPUT, PUBLIC INPUT, PARTICULARLY IN
11 LATER YEARS WHEN WE GET INTO ISSUES OF TRANSITIONAL
12 MEDICINE AND MOVING THE RESOURCES FORWARD, THAT THE
13 TYPES OF FUNDING THAT ARE MADE MIGHT BE THINGS WHERE
14 PUBLIC INPUT WOULD BE APPROPRIATE.

15 DR. HALL: I WAS ARGUING THAT THAT WILL
16 HAPPEN AT THE ICOC MEETING. THAT'S EXACTLY THE POINT
17 OF HAVING THE TWO LEVELS. WE DO HAVE SIX PATIENT
18 ADVOCATES ON THAT COMMITTEE, AND I THINK -- WHAT WE
19 ASKED THE COMMITTEE TO DO IS TO JUDGE -- THE WORKING
20 GROUP TO DO IS TO JUDGE THESE GRANTS ON TECHNICAL
21 GROUND, TO SAY ON SCIENTIFIC GROUNDS, WE WANT YOU TO GO
22 THROUGH AND TELL US IS THE SCIENCE WELL DONE? IS IT
23 CAREFULLY DESIGNED? IS THE INVESTIGATOR SOMEBODY WHO
24 COULD DO THIS BY THEIR PAST TRAINING? ARE THERE ANY
25 FLAWS IN THE EXPERIMENTAL DESIGN? ARE THE TECHNIQUES

1 ALL FEASIBLE? IS THIS A BRIGHT AND INTERESTING IDEA,
2 OR IS IT SOMETHING THAT EVERYBODY KNOWS THE ANSWER TO,
3 THESE KINDS OF QUESTIONS.

4 AND THEN IT SEEMS TO ME AT THE NEXT LEVEL OF
5 REVIEW ONE THEN SAYS YOU HAVE ISSUES OF PORTFOLIO, IN
6 ESSENCE. YOU SAY WHAT ARE OUR PRIORITIES? HOW DO WE
7 BALANCE THIS? HERE WE HAVE A LARGE NUMBER OF GRANTS
8 THAT ARE ALL MORE OR LESS THE SAME, THEY'RE ALL VERY
9 GOOD, BUT THEY'RE MORE OR LESS THE SAME. AND HERE'S
10 ONE OVER HERE THAT MAYBE DOESN'T RATE QUITE AS HIGH,
11 BUT VERY ORIGINAL --

12 DR. PRIETO: WHERE DOES THAT LEVEL OF REVIEW
13 HAPPEN?

14 DR. HALL: ICOC.

15 DR. PRIETO: SO YOU'RE PROPOSING THAT NONE OF
16 THAT LEVEL OF REVIEW WOULD HAPPEN IN THE GRANTS WORKING
17 GROUP.

18 DR. HALL: WELL, I GUESS THERE WOULD BE SOME
19 OF IT WITH THE PATIENT ADVOCATES' PARTICIPATION. WE'LL
20 HAVE TO SEE IN PRACTICE, BUT THE FINAL DISCUSSION HAS
21 TO BE HERE IN PUBLIC I THINK IS VERY IMPORTANT. I
22 DON'T KNOW WHETHER -- WE DON'T THINK WE NEED A SECOND
23 PUBLIC MEETING. THAT'S WHAT THIS MEETING IS FOR.

24 CHAIRMAN KLEIN: WE'D REMIND THE PUBLIC AND
25 THE BOARD THAT IN ADDITION TO THE FACT THAT WE HAVE

1 SEVEN PATIENT ADVOCATES WHO ARE APPOINTED BY THE
2 GOVERNOR, THE LIEUTENANT GOVERNOR, AND THE TREASURER,
3 THE FORMER PRESIDENT PRO TEM, AND SPEAKER ON THAT
4 COMMITTEE INSTITUTIONALIZED THE OVERSIGHT OF THE
5 PATIENT ADVOCATE INPUT TO THE GRANT REVIEW PROCESS.

6 WE HAVE A PROCESS WHERE IF 35 PERCENT OF THAT
7 COMMITTEE BELIEVES IN A MINORITY POSITION, THAT
8 MINORITY POSITION WOULD BE REPORTED AND COME TO THE
9 BOARD FOR CONSIDERATION ALONG WITH THE MAJORITY
10 POSITION. WE OBVIOUSLY ALSO HAVE THE POINT THAT
11 CONFIDENTIAL PEER REVIEW PROTECTS INTELLECTUAL
12 PROPERTY, AND WE HAVE A RESPONSIBILITY TO PROTECT
13 INTELLECTUAL PROPERTY OF THE STATE AS WELL AS THE
14 INTELLECTUAL PROPERTY OF THE INVESTIGATORS. THAT IS
15 ACCOMPLISHED BY HAVING CONFIDENTIAL REVIEW, BUT IT IS
16 THE INTENT OF THE POLICY POSITION DISCUSSIONS THAT
17 HAPPEN AT THIS BOARD LEVEL.

18 MR. SHESTACK: DOES THAT MEAN YOU DON'T
19 ANTICIPATE THAT THIS -- ONLY GRANTS THAT ARE ABOVE A
20 CERTAIN RATING FOR EXCELLENCE WILL COME TO THIS BOARD?
21 DO YOU ANTICIPATE THAT THIS BOARD MIGHT ACTUALLY, SAY,
22 PERFORM THE DUTIES OF A COUNCIL, FOR INSTANCE, AND SAY
23 THIS GRANT ISN'T PARTICULARLY RELEVANT OR ACTUALLY OR
24 DO THE PORTFOLIO MANAGEMENT?

25 DR. HALL: MY ASSUMPTION, AND WE HAVE TO WORK

1 ALL OF THIS OUT, MY ASSUMPTION IS THAT IF WE HAVE A
2 ROUND OF FUNDING FOR WHICH WE HAD COMMITTED, LET'S SAY,
3 \$40 MILLION WORTH OF GRANTS, THE GRANTS REVIEW WORKING
4 GROUP WILL BRING THROUGH THE COMMITTEE BY AGREEMENT 50
5 OR \$60 MILLION WORTH OF GRANTS. AND THEN THERE WOULD
6 BE DISCUSSION IN THE COMMITTEE ABOUT ISSUES SUCH AS YOU
7 CHOOSE, SUCH AS YOU DECIDE.

8 MR. SHESTACK: HERE?

9 DR. HALL: YES. WE WOULD SAY THAT THIS
10 GRANT, BECAUSE OF THE REASONS YOU'RE SAYING, MAYBE WE
11 SHOULD BE FUNDING THIS.

12 CHAIRMAN KLEIN: ARE WE PREPARED TO MOVE TO
13 THE NEXT ITEM FOR DISCUSSION? YES, DR. STEWARD.

14 DR. STEWARD: THIS ACTUALLY RAISES AN
15 INTERESTING QUESTION, WHICH IS THE EXTENT TO WHICH THE
16 DISCUSSION IS ACTUALLY SUMMARIZED IN WRITTEN FORM AND
17 PROVIDED TO THE ICOC. AND I GUESS I'M ASKING IS IT
18 POSSIBLE TO HAVE A CANDID WRITTEN SUMMARY STATEMENT, IF
19 YOU WILL, MADE AVAILABLE TO THE ICOC AND KEEP IT
20 CONFIDENTIAL?

21 DR. HALL: NO.

22 CHAIRMAN KLEIN: IT ISN'T. AND POLICY
23 SUGGESTS THAT CONCENTRATIONS OF ALLOCATION AND THERAPY
24 DEVELOPMENT VERSUS OTHER PRIORITIES CERTAINLY CAN BE
25 DISCUSSED AND THERE'S ENOUGH INFORMATION FOR THOSE

1 POLICY LEVEL DISCUSSIONS.

2 DR. HALL: WE WILL HAVE SUMMARIES OF THE --
3 WE WILL HAVE SUMMARIES OF THE COMMENTS TO PROTECT
4 CONFIDENTIALITY.

5 CHAIRMAN KLEIN: I BELIEVE WE COULD HAVE A
6 SUBSEQUENT AGENDIZED DISCUSSION ON THE MECHANICS
7 THEMSELVES WHERE WE NEED A CONSENSUS ON THE BOARD OF
8 HOW TO IMPLEMENT THOSE MECHANICS.

9 OKAY. DR. POMEROY.

10 DR. POMEROY: TWO COMMENTS. ONE, I THINK
11 MAYBE THE REASON WE'RE STRUGGLING WITH THIS IS IT MAY
12 NOT BE CLEAR TO THE PATIENT ADVOCATES WHAT THEIR ROLE
13 WOULD BE IN THE GRANTS REVIEW WORKING GROUP COMMITTEE
14 BECAUSE I THINK THERE'S BROAD CONSENSUS THAT WE WANT TO
15 HAVE CONFIDENTIAL PEER REVIEW OF THE SCIENCE. I THINK
16 MANY OF THE PATIENT ADVOCATES FEEL UNCOMFORTABLE IN
17 JUDGING THE SCIENCE, SO WHAT ARE THEY DOING THERE FOR
18 ALL OF THOSE HOURS IF WE'RE NOT DISCUSSING THE POLICY
19 ISSUES IN THAT SETTING AND ONLY DISCUSSING THEM HERE.

20 DR. HILL: MY UNDERSTANDING, AND WE'RE --
21 THESE ARE ISSUES THAT WE WILL HAVE TO WORK OUT. IT'S
22 NOT THE ISSUE BEFORE US. LET ME POINT THAT OUT. I
23 DON'T WANT US TO GET HUNG UP HERE BECAUSE WE HAVE TO
24 COME BACK TO THIS AND WORK IT OUT. BUT OUR CURRENT
25 PERCEPTION IS THAT THERE WILL BE A TECHNICAL DISCUSSION

1 OF THE GRANTS BY THE OUTSIDE EXPERTS. AND I SHOULD SAY
2 THIS IS IN MY MIND BASED VERY MUCH ON A MODEL THAT I
3 JUST VISITED IN THE DEPARTMENT OF DEFENSE FOR
4 NEUROFIBROMATOSIS WHERE THERE ARE BOTH PATIENT
5 ADVOCATES AND SCIENTISTS THERE.

6 I ACTUALLY FOUND IT A WONDERFUL EXPERIENCE IN
7 THE FOLLOWING WAY. THE PATIENT ADVOCATES WERE, I
8 THINK, VERY INTERESTED AND IMPRESSED BY THE CARE WITH
9 WHICH THE SCIENTISTS AND THE TIME THEY HAD SPENT ON IT,
10 EXAMINING IN MINUTE DETAIL THE GRANTS. THEY DID NOT
11 OBVIOUSLY INTERVENE, BUT THEY HEARD THE DISCUSSION,
12 THEY WERE ABLE TO JUDGE THE QUALITY OF THE COMMENT AND
13 THE DYNAMICS OF THE CONTENT OF THE DISCUSSIONS THAT
14 WENT ON. I THINK THEY WERE IMPRESSED WITH THE
15 SERIOUSNESS OF IT.

16 AND THEN FROM MY POINT OF VIEW, THEY WERE
17 OFTEN ABLE TO PROVIDE IMPORTANT PERSPECTIVES BY SAYING,
18 AND I REMEMBER ONE VERY SPECIFIC EXAMPLE. THIS MAY NOT
19 BE OF MAJOR SCIENTIFIC IMPORT, BUT YOU HAVE TO
20 UNDERSTAND THAT IF THIS PARTICULAR GRANT WERE
21 SUCCESSFUL, IT COULD MAKE A MAJOR DIFFERENCE IN THE
22 QUALITY OF LIFE FOR PATIENTS WITH THIS DISEASE. AND
23 SCIENTISTS AROUND THE TABLE SNAPPED THEIR HEADS AND
24 PAID ATTENTION, AND IT GAVE, I THOUGHT, A VERY RICH
25 DISCUSSION.

1 AND SO FIRST WE WOULD HAVE, I THINK, THE
2 SCIENTIFIC REVIEW STRICTLY ON THE BASIS OF THE SCIENCE,
3 AND THEN A DISCUSSION AMONG THE PATIENT ADVOCATES AND
4 THEN A FINAL VOTE ABOUT WHAT WILL COME TO THE ICOC. SO
5 ALL THIS HAS TO BE WORKED OUT. THE QUESTION BEFORE US
6 RIGHT NOW IS IS THIS TO BE AN OPEN SESSION OR A CLOSED
7 SESSION?

8 CHAIRMAN KLEIN: DR. LEVEY.

9 DR. LEVEY: JUST TO FOLLOW UP ON SOME OF THE
10 COMMENTS, I WOULD THINK IT UNLIKELY THAT THIS BOARD IS
11 GOING TO BE GETTING DOWN TO ITEM-BY-ITEM REVIEW OF
12 GRANTS. MY GOD, WE'LL NEVER GET ANYTHING DONE.

13 DR. HALL: LET'S NOT -- LET'S HOLD THIS FOR
14 ANOTHER TIME. IT IS A BIG ISSUE. IT'S SOMETHING WE
15 WILL HAVE TO WORK OUT TOGETHER. WE HAVE BEGUN TO THINK
16 ABOUT IT. I HAVE BEEN SURPRISED THAT IT HAS SOME
17 COMPLEXITIES THAT I HAD NOT ANTICIPATED. I THINK WE'RE
18 ALL GOING TO HAVE TO WORK ON THIS. BUT, PLEASE, I'D
19 LIKE US NOT TO GET SIDETRACKED TODAY.

20 DR. LEVEY: THANK YOU.

21 DR. HALL: DR. PRECIADO.

22 DR. PRECIADO: I JUST WANT TO REMIND -- I
23 JUST WANT TO SAY THAT AS A PATIENT ADVOCATE, I MAY FEEL
24 LOST IN THE GRANTS REVIEW PROCESS BECAUSE I'VE NEVER
25 BEEN THROUGH ONE. HOWEVER, I AM IN THE TRENCHES, AND I

1 DO HAVE A PERSPECTIVE AND AN ASSESSMENT OF WHAT'S GOING
2 ON IN THE TRENCHES THAT I MIGHT BE ABLE TO ADD TO. SO
3 I JUST WANT PEOPLE TO ADD THAT.

4 DR. HALL: AND THE PURPOSE OF HAVING PATIENT
5 ADVOCATES THERE IS PRECISELY TO DO THAT.

6 CHAIRMAN KLEIN: THE PATIENT ADVOCATE
7 FOUNDATIONS ACROSS THIS COUNTRY HAVE PATIENT ADVOCATE
8 LAY REVIEWERS ON THE COMMITTEE THAT DO PARTICIPATE IN
9 THAT REVIEW PROCESS QUITE SUCCESSFULLY OVER A LARGE
10 NUMBER OF YEARS IN ADDITION TO OTHER BODIES AS
11 REFERENCED BY DR. HALL. BUT WE WILL DEFINITELY FOCUS
12 ON THAT AS A SEPARATE NEED. DR. HALL.

13 DR. HALL: ANYTHING ELSE FOR THE GRANTS
14 REVIEW COMMITTEE? CAN WE MOVE ON TO THE NEXT ONE?

15 CHAIRMAN KLEIN: COULD YOU MOVE TO THE NEXT
16 ITEM.

17 DR. HALL: THIS IS NOW PERHAPS A LITTLE
18 MORE -- WORTH A LITTLE MORE DISCUSSION OR MORE DIRECTED
19 DISCUSSION, MAY I PUT IT THAT WAY, THAT IS, FOR THE
20 MEDICAL AND ETHICAL STANDARDS WHERE I THINK THERE
21 REALLY IS A CLEAR CHOICE. I MYSELF DON'T HAVE A STRONG
22 RECOMMENDATION ONE WAY OR THE OTHER. I THINK THERE ARE
23 THINGS TO BE SAID ON BOTH SIDES OF IT. AND I THINK
24 IT'S VERY IMPORTANT FOR THE BOARD TO CONSIDER.

25 MY OWN VIEW IS THAT IT SHOULD EITHER BE A

1 COMBINATION OF THE PUBLIC DATA COLLECTING AND PRIVATE
2 DELIBERATIVE MEETINGS THAT WE TALKED ABOUT BEFORE OR,
3 IF PEOPLE FELT STRONGLY ABOUT IT, WE SHOULD HAVE OPEN
4 MEETINGS. AND I JUST PRESENT THIS TO YOU FOR
5 DISCUSSION.

6 CHAIRMAN KLEIN: I'M GOING TO CALL ON JOAN
7 SAMUELSON.

8 MS. SAMUELSON: I HAVE A SPECIFIC PROPOSAL.
9 I THINK THERE ARE SOME AND YOU CAN GIVE US SOME
10 OPTIONS. THERE ARE TWO CONSIDERATIONS, AND SOME OF
11 THEM, I THINK, MAY PERTAIN TO SOME OF THE OTHER WORKING
12 GROUPS. ONE IS THE BAGLEY-KEENE OBSTACLES AS I SEE
13 THEM AT THE MOMENT THAT HAVE IMPAIRED OUR ABILITY TO
14 WORK EFFICIENTLY AND EFFECTIVELY WITHOUT THE FULL
15 INVESTMENT OF THE GREAT TALENT ON THIS COMMITTEE. SUCH
16 THINGS AS NOT BEING ABLE TO TALK TO EACH OTHER WITH THE
17 TECHNOLOGY AVAILABLE TO US WITH OUR BLACKBERRIES AND
18 OUR TELECONFERENCING SYSTEMS TO BRING TOGETHER THIS
19 DISPARATE GROUP THAT IS ALL OVER THE STATE, AND WHO
20 WASTE AN AWFUL LOT OF TIME IN TRANSPORTATION, ETC.,
21 ETC. IT WOULD BE LOVELY TO NOT HAVE TO DO -- TO HAVE
22 THOSE OBSTACLES WHICH I DON'T SEE AS HELPING THE
23 PUBLIC. I SEE IT AS IMPAIRING OUR ABILITY TO REPRESENT
24 THEM. I'VE WAITED SO LONG TO SAY THAT. SO THAT'S ONE.
25 IT WOULD BE NICE IF WE CAN SOLVE THAT, AND THAT'S A

1 GOOD REASON FOR A CLOSED MEETING. I DON'T LIKE THE
2 WORD CLOSED; BUT IF WE CAN EVADE THOSE INEFFICIENT,
3 ETC., BAGLEY-KEENE PROBLEMS, THAT WOULD BE NICE.

4 THE OTHER IS HARDER FOR ME TO GET A HANDLE
5 ON, BUT I HAVE A SENSE THAT THERE'S SOMETHING -- WE
6 HAVE VERY COMPLEX WORK AHEAD OF US. THERE'S SOMETHING
7 ABOUT BEING ABLE TO SIT DOWN, ROLL UP OUR SLEEVES
8 WITHOUT THE EMBARRASSMENT OF SAYING SILLY THINGS IN
9 PUBLIC OR RASH JUDGMENTS THAT MAYBE WE'RE GOING TO
10 CHANGE AS WE LISTEN TO OTHERS OR COMMENT ABOUT
11 SOMETHING AS WE TEASE OUT THESE VERY COMPLICATED
12 PROBLEMS, AND THERE WILL BE THOSE IN THIS WORKING
13 GROUP, OF COURSE. THERE WILL PROBABLY BE MOMENTS WHEN
14 WE CAN DO A LOT OF QUICK WORK BEHIND THE SCENES WITHOUT
15 THAT EMBARRASSMENT, THAT CONFUSION OF TRYING TO MAKE
16 PUBLIC PRONOUNCEMENTS THAT WOULD MAKE SENSE ON PAPER
17 ALL THE TIME.

18 I DON'T KNOW WHAT TO DO WITH THAT, BUT THAT'S
19 A CONSIDERATION.

20 DR. HALL: I'LL JUST REFER YOU TO THE HINES
21 AND MORENO LETTER ALSO BECAUSE THEY GIVE A VERY BIASED
22 VIEW THERE, AND THEY TALK ABOUT THE VALUE OF OPEN
23 MEETINGS IN WHICH THE PUBLIC IS ABLE TO PROVIDE INPUT
24 AND ATTEND AS WELL AS THE CLOSED MEETINGS. IT SEEMS TO
25 ME THAT THAT IS A VERY IMPORTANT ASPECT OF WHAT WE DO.

1 AND ON THESE SENSITIVE ISSUES WE WANT TO HAVE PUBLIC
2 INPUT.

3 MS. SAMUELSON: INDEED.

4 CHAIRMAN KLEIN: I WOULD LIKE TO GO TO DR.
5 BRYANT.

6 DR. BRYANT: I WOULD JUST LIKE TO SAY THAT I
7 AGREE WITH WHAT YOU SAY; BUT GIVEN THE INTENSE PUBLIC
8 INTEREST IN THIS ISSUE, THIS IS ONE AREA THAT WE COULD
9 BE OPEN. IT'S A CHOICE SITUATION. SO THERE ARE MANY
10 AREAS WHERE WE DON'T HAVE THE CHOICE BECAUSE OF THE
11 PROTECTION OF IP OR AN IDEA, BUT IN THIS CASE I THINK I
12 WOULD ENCOURAGE A SENSE IN THAT DIRECTION.

13 CHAIRMAN KLEIN: DR. FRIEDMAN.

14 DR. FRIEDMAN: I TOO WOULD LIKE TO RECOMMEND
15 ENTIRELY PUBLIC DISCUSSIONS. AS WE SAID, THERE ARE
16 VERY GOOD ARGUMENTS ON BOTH SIDES. IT WOULD BE A
17 DIFFERENT SORT OF MEETING HAVING A CLOSED MEETING FROM
18 AN OPEN MEETING. I ABSOLUTELY AGREE WITH THAT.
19 HOWEVER, I THINK BECAUSE OF THE INTENSE PUBLIC
20 INTEREST, HERE IT'S NOT AN ABUNDANCE OF CAUTION. IT'S
21 AN ABUNDANCE OF CLARITY. AND I WOULD RECOMMEND HAVING
22 ALL OF THESE OPEN. THANK YOU.

23 CHAIRMAN KLEIN: DR. STEWARD.

24 DR. STEWARD: LET ME PRESENT ANOTHER VIEW ON
25 THIS. IT'S REALLY IN ANSWER TO THE QUESTION CAN YOU

1 IMAGINE A SCENARIO. AND SO I THINK I CAN. IT REALLY
2 RELATES TO INFORMED CONSENT. ONE CAN IMAGINE A
3 SITUATION WHERE IT WOULD BE NECESSARY TO DISCUSS
4 MEDICAL PROCEDURES THAT WERE DETAILED AND REALLY
5 CLEARLY SEE WHAT THEY WERE PROPOSING, WHAT PATIENTS
6 WOULD REALLY BE UNDERTAKING FOR THEMSELVES. AND IT
7 REALLY BORDERS ON INVASION OF PATIENT PRIVACY, I
8 THINK, TO DISCUSS THOSE IN THE ELABORATE KINDS OF
9 DETAIL THAT MIGHT BE NECESSARY TO REALLY COME TO A
10 REASONABLE CONSENSUS ABOUT INFORMED CONSENT.

11 SO I GUESS WHERE I'M REALLY HERE IS AT LEAST
12 HAVING THE OPTION OF THIS COMMITTEE TO BE ABLE TO MEET
13 IN PRIVATE TO DISCUSS ISSUES THAT THEY CONSIDER TO
14 BE --

15 CHAIRMAN KLEIN: I WOULD POINT OUT, JUST TO
16 FILL OUT THESE HYPOTHETICALS, REMEMBER WE'RE GOING TO
17 CONSIDER GRANTS WHERE WE WANT TO HAVE -- WE HAVE VERY
18 STRONG STANDARDS WE WANT. BUT WE GET TO CLINICAL
19 TRIALS AND ISSUES LIKE THAT WHERE THERE'S PRIVATE
20 COMPANY INVOLVEMENT, IT'S BEEN SUGGESTED TO ME THAT A
21 PUBLIC MEETING ON THE STANDARDS RELATED TO THOSE
22 CLINICAL TRIALS CAN PUT INDIVIDUAL PEOPLE PUTTING THOSE
23 STANDARDS TOGETHER UNDER TREMENDOUS PRESSURE FROM
24 LOBBYISTS WHO IDENTIFY WHO ON THAT WORKING GROUP HAS
25 SPECIFIC OPINIONS, AND THE PRIVATE BUSINESS INTERESTS

1 CAN PUT DIRECTED PRESSURE ON THOSE PEOPLE TO CHANGE
2 THEIR POSITION. THAT HAVING WORKING GROUPS THAT HAVE
3 STANDARDS BASED ON SCIENCE AND MEDICINE AND THEN
4 PUBLISHING THEM FOR THE PUBLIC SO THAT THE PUBLIC
5 GROUPS AND THE PRIVATE GROUPS, EVERYONE CAN DISCUSS IT
6 IN PUBLIC, IT'S BEEN SUGGESTED, HAS SOME VERY IMPORTANT
7 CONSIDERATIONS. JEFF SHEEHY.

8 MR. SHEEHY: YES. FIRST, I FEEL VERY
9 STRONGLY THAT THE STANDARDS WORKING GROUP NEEDS TO BE
10 OPEN, BUT I'M DISAPPOINTED THAT WE'RE -- THERE'S LOTS
11 OF PUBLIC MEETINGS THAT TAKE PLACE IN CALIFORNIA. I
12 HAVE NEVER PARTICIPATED IN A PUBLIC MEETING THAT'S BEEN
13 CONDUCTED UNDER SUCH STRINGENT GUIDELINES AS THE ICOC.

14 AS SOMEONE WHO'S WORKED ON OPEN AND SUNSHINE
15 AND OPEN MEETINGS AND OPEN ACCESS ISSUES, I THINK WE
16 COULD PUT TOGETHER A PROCESS. IN OTHER WORDS, I JUST
17 FEEL THAT WE SHOULD SEND IT BACK AND SEE IF WE CAN COME
18 BACK WITH A PROCESS THAT COULD KIND OF CAPTURE SOME OF
19 THE DIFFERENT THINGS THAT WE TALKED ABOUT, BUT THEN
20 TAKING THE PRINCIPLES, THAT THE PUBLIC IS GIVEN ACCESS
21 TO ALL THE DOCUMENTS THAT ARE GOING TO BE USED AND
22 DISCUSSED, AND THE PUBLIC HAS AN OPPORTUNITY TO
23 COMMENT, THAT THE PUBLIC IS THERE AT THE TIME WHEN THE
24 DELIBERATIONS AND VOTES ARE TAKING PLACE.

25 I THINK IT'S VERY ONEROUS ON PATIENT

1 ADVOCATES, ESPECIALLY THOSE OF US WHO HAVE DISEASE.
2 I'VE BEEN RELATIVELY HEALTHY, BUT THE ABILITY TO BE
3 ABLE TO TELECOMMUTE AND NOT HAVE TO HAVE -- TO BE ABLE
4 TO CALL IN AS LONG AS THERE IS A PUBLIC PLACE WHERE
5 PEOPLE CAN ATTEND AND HEAR MY COMMENTS, I DON'T SEE WHY
6 THAT HAS TO BE THAT WAY. SINCE WE ARE FREE FROM
7 BAGLEY-KEENE ON THIS, WHY CAN'T WE DEVISE A SET OF
8 RULES? AND I THINK THE ISSUE ABOUT THE ABILITY TO GO
9 INTO CLOSED SESSION, YOU KNOW, WE COULD START TO DETAIL
10 SOME OF THESE ISSUES. WE COULD EVEN LEAVE SOME OPEN,
11 BUT WE HAVE MORE FREEDOM HERE THAN WHAT WE'VE BEEN
12 GIVEN IN THE CHOICES THAT WE HAVE.

13 I HAVE TO SAY I THINK THE NAS OPTION OF
14 CLOSING THE DELIBERATIONS TO THE PUBLIC IS JUST
15 SMACKING THEM IN THE FACE. WE'LL HEAR YOU, BUT YOU
16 CAN'T HEAR WHAT WE THINK ABOUT WHAT YOU SAID. THIS IS
17 NOT A GOOD PROCESS FOR OPEN GOVERNMENT. SO I WOULD
18 LOVE FOR US -- AND I THINK THIS A STAFF THING OR
19 COUNSEL THING -- TO LOOK AT SOME OF THE MODELS THAT
20 EXIST, TAKE SOME OF THE INFORMATION THAT WE PUT OUT
21 HERE TODAY AND CREATE A HYBRID FOR OUR COMMITTEE
22 BECAUSE I THINK THE ISSUES INVOLVED ARE IMPORTANT.
23 THIS IS WHERE WE CAN EDUCATE THE PUBLIC. THIS IS WHAT
24 THE PUBLIC REALLY CARES ABOUT. THIS IS WHERE WE CAN
25 TEACH THEM ABOUT WHAT STEM CELL RESEARCH IS. THE FEARS

1 THAT ARE BEING EXPRESSED HERE ARE VERY RATIONAL, I
2 THINK.

3 CHAIRMAN KLEIN: THOSE WERE VERY HELPFUL
4 COMMENTS. DAVID SERRANO-SEWELL, AND, DR. KESSLER,
5 WE'LL GO BACK TO YOU.

6 MR. SERRANO-SEWELL: THERE ARE, AS I
7 UNDERSTAND IT, VARIOUS COMPONENTS TO BAGLEY-KEENE.
8 BAGLEY-KEENE ATTEMPTS TO FULFILL AN OVERRIDING PUBLIC
9 POLICY OBJECTIVE. TO DO SO, THERE'S A NOTICE
10 REQUIREMENT. THERE'S THE DISCUSSION REQUIREMENT
11 AMONGST THE MEMBERS. THERE'S DIFFERENT PIECES TO IT.
12 FOR THIS PARTICULAR WORKING GROUP, I AGREE WITH MY
13 COLLEAGUE, THAT WE CAN FIND A HYBRID THAT GIVES WEIGHT
14 FOR THE PUBLIC AND ACCESS, BUT THOSE ISSUES THAT THIS
15 WORKING GROUP WANTS SOME FLEXIBILITY ON, JEFF RAISED
16 ONE OF THEM, I THINK IT'S VERY RELEVANT, THAT WE SHOULD
17 ALLOW MEMBERS OF THIS COMMITTEE THE OPPORTUNITY TO
18 PARTICIPATE IN THESE WORKING GROUPS BY PHONE FROM THEIR
19 HOME IF THEY NEED TO, IF THEY NEED TO. AND THAT MAY
20 NOT COMPLY WITH BAGLEY-KEENE.

21 SO THERE ARE THESE LITTLE PIECES TO
22 BAGLEY-KEENE, SO I'M STILL TRYING TO UNDERSTAND EACH
23 ONE OF THEM AND HOW THEY APPLY. SO TO THAT END, AND AS
24 IT RELATES TO THE LETTER, THE HYBRID, DOES BAGLEY-KEENE
25 APPLY TO THOSE MEETINGS? I MEAN, CAN COMMITTEE MEMBERS

1 TALK OUTSIDE THE MEETINGS?

2 CHAIRMAN KLEIN: UNDER THE HYBRID STANDARD,
3 ONCE THE ADVISORY GROUP HAS RECOMMENDATIONS, THEN THE
4 ADMINISTRATIVE PROCEDURES ACT WOULD APPLY FOR PUBLIC
5 PRESENTATIONS AND THEN, QUOTE, BAGLEY-KEENE ACT THEN
6 APPLIES TOWARDS OUR BOARD, WHICH IS THE ONLY ENTITY
7 THAT CAN ADOPT STANDARDS. UNDER THE HYBRID THAT'S BEEN
8 SUGGESTED, BAGLEY-KEENE CONTROLS ANY APPROVAL OF ANY
9 STANDARD, AND WE CAN'T MODIFY THAT. THE INITIATIVE
10 REQUIRED BAGLEY-KEENE TO COVER THE WHOLE DEBATE PROCESS
11 WHEN ADOPTING ANY STANDARD, AND THAT'S A VERY IMPORTANT
12 PUBLIC PART OF THE PROCESS.

13 BUT DR. KESSLER HAS BEEN WAITING PATIENTLY.

14 DR. KESSLER: I AGREE VERY MUCH WITH MY TWO
15 COLLEAGUES. I THINK THERE IS A MODEL THAT WE CAN GET
16 TO THAT WORKS. I THINK THE PRESUMPTION SHOULD BE THAT
17 THIS IS OPEN. I THINK THERE ARE THREE INSTANCES THAT
18 WE'VE TALKED ABOUT SO FAR WHERE THERE ARE GOOD REASONS,
19 COMPELLING REASONS, FOR IT NOT TO BE IN THAT KIND OF
20 LIGHT. YOU HAVE PATIENT PROTECTIONS, ONE THAT DEALS
21 WITH COMPETITIVE ISSUES, AND I THINK THERE ARE ISSUES
22 OF EFFICIENCY. THIS IS GOING TO BE A COMMITTEE THAT'S
23 GOING TO GO THROUGH A LOT OF DRAFTS. IT'S GOING TO
24 NEED TO DO A LOT OF THEIR WORK. THERE ARE
25 TELECOMMUTING ISSUES. SO I CERTAINLY WOULD SECOND BOTH

1 JEFF AND DAVID'S COMMENT, AND ASK STAFF AND COUNSEL TO
2 PUSH THE STATE-OF-THE-ART IN THE SPIRIT OF BEING OPEN.
3 LET'S MAKE THIS OPEN, BUT UNDERSTAND THAT THERE ARE
4 ISSUES WHERE THERE IS A COMPELLING INTEREST THAT WORK
5 NEEDS TO BE DONE IN A CERTAIN FASHION.

6 CHAIRMAN KLEIN: DR. KESSLER, ALTHOUGH WE'RE
7 NOT GOING TO VOTE ON IT AT THIS TIME, WE'D LIKE TO JUST
8 HAVE YOUR COMMENTS CAPTURED AS A MOTION THAT WE WILL,
9 AS WE GO DOWNSTREAM, CONSIDER THAT A MOTION?

10 DR. KESSLER: I'D BE HAPPY TO DO THAT, MR.
11 CHAIRMAN.

12 CHAIRMAN KLEIN: WOULD THERE BE A SECOND TO
13 DR. KESSLER'S POSITION?

14 MS. SAMUELSON: SECOND.

15 CHAIRMAN KLEIN: THERE'S A MOTION AND A
16 SECOND WITH THE OTHER ITEMS.

17 MR. SHESTACK: WHAT IS THE POSITION?

18 CHAIRMAN KLEIN: THEIR POSITION IS TO ASK
19 STAFF TO COME BACK WITH A PROPOSAL THAT TRIES TO
20 CAPTURE THE BEST ASPECTS OF THE OPEN MEETING WITH A
21 PREFERENCE TO HAVE AS MUCH OPENNESS IN THE PROCESS AS
22 POSSIBLE, BUT TO HAVE THREE DIFFERENT SITUATIONS TO
23 CONSIDER WHERE THERE WOULD BE AN OPTION FOR THOSE
24 COMMITTEES TO HAVE CLOSED SESSIONS THAT HE ARTICULATED.
25 SPECIFICALLY, WE ALSO WOULD LOOK AT TRYING TO ADDRESS

1 THOSE ENCUMBRANCES THAT DON'T APPEAR TO HELP THE
2 PUBLIC, LIKE LOOKING AT THE ABILITY TO TELECOMMUTE,
3 THAT WOULD HELP COMMITTEE MEMBERS AS WELL HAVE MORE
4 FREQUENT MEETINGS WHERE MORE OF THE TIME IS EFFECTIVELY
5 SPENT ON CONSIDERATION OF A DRAFT.

6 MR. SHESTACK: THERE'S A DIFFERENCE, THAT DR.
7 FRIEDMAN ISN'T GOING TO HAVE TO BE ON THAT COMMITTEE.
8 THIS IS AN ONEROUS COMMITTEE. IT MAY NOT BE SIX YEARS
9 FROM NOW, BUT HAVING -- IT'S PUBLIC COMMENT
10 CONSISTENTLY PEPPERED THROUGHOUT THESE PERHAPS EXTRA --
11 IT SEEMS TO ME THERE WERE SOME GOOD THINGS IN THIS
12 PROPOSAL, BUT HAVING PERIODS WHERE WE BENEFIT FROM THE
13 OPINIONS. THERE SEEMS TO BE SOME PERIOD WHERE WE COULD
14 JUST SHUT THE DOOR FOR A COUPLE OF HOURS WITH A YELLOW
15 PAD AND A PEN AND TRY AND DRAFT SOMETHING WITHOUT
16 SOMEONE READING OVER YOUR SHOULDER SEEMS LIKE -- I
17 WOULD JUST BEG FOR IT, REALLY.

18 THE FINAL DRAFT WILL COME BACK TO THIS
19 COMMITTEE. MAYBE SOMETHING WHERE INTERIM DRAFTS ARE
20 MADE AVAILABLE TO THE PUBLIC. THIS MAKES ME ALMOST
21 WANT TO WEEP CONTEMPLATING THAT AMOUNT OF PAGES
22 GENERATED IN A PUBLIC FORUM WITH POTENTIAL FOR EVEN
23 MORE DISCUSSION THAN JUST THE SEVEN VERY ANIMATED
24 PEOPLE WHO WILL BE DISCUSSING ON THAT COMMITTEE.

25 DR. HALL: CAN I JUST PROPOSE, IN THE

1 INTEREST OF MOVING ON, IT SEEMS TO ME THAT THE POSITION
2 HERE IS VERY CLEAR. WE WANT NEITHER CLOSED MEETINGS,
3 NOR DO WE WANT ALL BAGLEY-KEENE MEETINGS. WHERE WE END
4 UP IN BETWEEN IS SOMETHING THAT WE NEED TO WORK ON,
5 TALK TO COUNSEL ABOUT, COME BACK, AND SEE WHAT CAN BE
6 DONE. MY SENSE IS THERE'S A FAIRLY CLEAR CONSENSUS
7 AROUND THE ROOM. IS THAT --

8 CHAIRMAN KLEIN: DR. KESSLER, THE SENSE OF
9 THAT MOTION, COULD WE PROCEED WITHOUT HAVING TO GO
10 THROUGH THE MOTION ITSELF?

11 DR. KESSLER: SURE CAN.

12 DR. HALL: SO WE WOULD VOTE ON A HYBRID TO BE
13 DEFINED LATER.

14 CHAIRMAN KLEIN: YES. DR. FONTANA.

15 DR. FONTANA: I WAS JUST GOING TO COMMENT
16 THAT WE SPENT AN INORDINATE AMOUNT OF TIME TRYING TO
17 CONSIDER THE PUBLIC'S PERCEPTION OF WHAT THIS COMMITTEE
18 IS DOING. AND PERHAPS A NICE COMPROMISE WOULD BE TO
19 KEEP ALL THE MEETINGS OPEN WITH THE EXCEPTIONS OF THE
20 GRANTS REVIEW COMMITTEE, AND THAT WITH TIME THE PUBLIC
21 WILL NOT BE SO INTERESTED REALLY WHEN THEY ATTEND THESE
22 MEETINGS BECAUSE THEY SEE US WITH THE YELLOW PADS OUT,
23 AND THAT WE ARE TRULY ADDRESSING ACTUALLY THE MEDIA'S
24 PERCEPTION OF THE PUBLIC'S INTEREST IN CONFLICTS OF
25 INTEREST AND LACK OF TRANSPARENCY.

1 CHAIRMAN KLEIN: YES. WE ARE ACTUALLY HOPING
2 THE PUBLIC BECOMES MORE INTERESTED AND MORE EDUCATED IN
3 THE AREA, BUT I DO UNDERSTAND YOUR POINT, THAT THEY
4 ALSO HAVE DO HAVE A TRUST IN THE PROCESS. DR. HALL.

5 DR. HALL: I WANTED TO MOVE ON. WE HAVE TWO
6 CONFLICT OF INTEREST ITEMS. ONE, THE POLICIES, FORMS,
7 AND PROCEDURES FOR THE GRANTS REVIEW WORKING GROUP,
8 WHICH, AS WE'VE SAID, IS CLOSELY MODELING THOSE OF NIH
9 AND CALIFORNIA RESEARCH PROGRAMS. AND THE SECOND ONE
10 IN A MOMENT.

11 THIS, AS YOU RECALL, IDENTIFIES THE THREE
12 KINDS OF CONFLICT OF INTEREST. IT ASKS THE REVIEWERS,
13 WITH THE AID OF CIRM STAFF, TO IDENTIFY THOSE THINGS
14 WHICH THEY MIGHT HAVE A CONFLICT OF INTEREST, AND
15 THEY'RE ASKED TO EXCUSE THEMSELVES FROM THE DISCUSSION
16 AND THE VOTING AND THE MEETING. AND THEY ARE ASKED TO
17 SIGN A STATEMENT AFTERWARDS SAYING THAT THEY HAVE
18 ABIDED BY THESE RULES AND HAVE NOT PARTICIPATED IN
19 REVIEW OF ANY GRANT FOR WHICH THEY HAVE A CONFLICT OF
20 INTEREST.

21 CHAIRMAN KLEIN: ALL RIGHT.

22 DR. HALL: THE LEVEL OF INNOVATION IN THIS IS
23 QUITE LOW.

24 CHAIRMAN KLEIN: ANY BOARD COMMENTS ON THOSE
25 ITEMS? YES, DR. PRIETO.

1 DR. PRIETO: I THINK THE LEVEL OF CONTROVERSY
2 IS ALSO QUITE LOW.

3 CHAIRMAN KLEIN: ANY OTHER BOARD COMMENTS?
4 I'D LIKE TO OPEN THIS TO PUBLIC COMMENTS.

5 DR. HALL: I BELIEVE WE HAVE SEVERAL MORE
6 RESOLUTIONS HERE TO GO.

7 ONE IS WE HAVE SEPARATE CONFLICT OF INTEREST
8 POLICIES FOR THE MEDICAL AND ETHICAL STANDARDS, AND
9 THERE PEOPLE ARE ASKED TO SELF-IDENTIFY AT TIME OF
10 APPOINTMENT IF THEY HAVE ANY EITHER FINANCIAL INTEREST
11 OR PROFESSIONAL COMMITMENTS WHICH WOULD PREVENT THEM
12 FROM ENGAGING IN THESE DISCUSSIONS IN AN OPEN AND FAIR
13 WAY. SO OPEN FOR DISCUSSION.

14 AND THEN THE OTHER TWO JUST QUICKLY ARE THE
15 CONSULTING RATE AND THE WORKING GROUP CHAIRS. UNLESS
16 THERE'S DISCUSSION ABOUT EITHER ONE OF THOSE, THEN I --

17 CHAIRMAN KLEIN: I THINK WE HAVE DISCUSSION.
18 WE'RE GOING TO START AT THAT END WITH JEFF SHEEHY AND
19 THEN GO TO DR. POMEROY.

20 MR. SHEEHY: I WANTED TO SPEAK TO THE CHAIR
21 ISSUE. WHEN WE FIRST STARTED OUT PICKING A CHAIR FOR
22 THIS BODY, A LOT OF PEOPLE FELT LIKE THAT HAVING AN
23 ADVOCATE AS CHAIR WAS NOT APPROPRIATE, THAT IT HAD TO
24 BE A SCIENTIST. WE ENDED UP HAVING THIS HYBRID MODEL,
25 ADVOCATE CHAIR AND A SCIENTIST CO-CHAIR -- VICE CHAIR,

1 I'M SORRY. AND I THINK THE PASSION THAT AN ADVOCATE
2 BRINGS TO THAT POSITION IS WHAT DRIVES US FORWARD. I
3 AM SPEAKING SPECIFICALLY ABOUT THE GRANTS. AND I WANT
4 TO PREFACE BY SAYING I AM IN NO WAY, AS AN ADVOCATE,
5 UNDER CONSIDERATION FOR THIS. I WOULD NOT DO IT,
6 BLAH, BLAH, BLAH.

7 I THINK WHEN WE SET UP THE CHAIR OF THE
8 GRANTS SUBCOMMITTEE, WE'RE SETTING UP THE PERSON WHO IS
9 ALLOCATING POTENTIALLY \$2.7 BILLION. WE DON'T HAVE
10 RULES AND PROCEDURES FOR HOW THAT COMMITTEE IS GOING TO
11 OPERATE. THIS PERSON IS NOT GOING TO FILL OUT A FORM
12 700, LIKE WE HAVE, AND I FEEL LIKE THAT A MEMBER OF
13 THIS BODY SHOULD BE A CO-CHAIR, AND I THINK THAT WITHIN
14 THE OTHER NINE ADVOCATES ON THIS BODY, I THINK WE COULD
15 FIND SOMEONE WHO WOULD BE VERY CAPABLE OF SERVING AS A
16 CO-CHAIR. I DO RECOGNIZE THAT THE PEER REVIEW PROCESS
17 IS SOMETHING THAT'S VERY UNIQUE AND THAT WE DO NEED TO
18 HAVE A DESIGNATED CHAIR WHO IS SKILLFUL AT MANAGING
19 THAT PROCESS.

20 I DO THINK THAT WE NEED SOMEONE AT THEIR SIDE
21 IN THE SAME WAY THAT WE DO ON THIS COMMITTEE. AND I
22 WANT TO STRONGLY RECOMMEND THAT WE DESIGNATE AN
23 ADVOCATE CO-CHAIR FOR THAT PARTICULAR WORKING GROUP.

24 CHAIRMAN KLEIN: LET'S DO THIS. I'M GOING TO
25 DR. MURPHY AND THEN DAVID SERRANO-SEWELL.

1 DR. MURPHY: I THINK WE REALLY RUN THE RISK
2 OF THIS COMMITTEE BECOMING INVOLVED IN OPERATIONS
3 RATHER THAN BEING HEAVILY INVOLVED IN OVERSEEING AND
4 BEING IN AN ADVISORY CAPACITY. I THINK WE MAKE A
5 MISTAKE IF WE HAVE A MEMBER OF THE ICOC TO BE THAT
6 INTIMATELY INVOLVED IN THE DAILY OPERATIONS OF THE
7 GRANTS PROCESS. IT REALLY DOES CHANGE THE DYNAMIC OF
8 WHAT THE ROLE OF THIS COMMITTEE WOULD BE, AND I WOULD
9 BE UNCOMFORTABLE WITH THAT.

10 CHAIRMAN KLEIN: MR. SERRANO-SEWELL.

11 MR. SERRANO-SEWELL: THANK YOU, CHAIRMAN
12 KLEIN.

13 I AGREE WITH MY COLLEAGUE, MR. SHEEHY'S,
14 COMMENTS ON THE MATTER. FROM A PRACTICAL PERSPECTIVE
15 WHEN WE'RE TALKING ABOUT GRANTS, IF WE WERE TO FOLLOW
16 DR. MURPHY'S MIND AND THOUGHT, THEN A NON-CALIFORNIAN
17 WOULD BE SERVING AS THE GRANTS CHAIR OF THAT WORKING
18 GROUP, RIGHT?

19 DR. HALL: ABSOLUTELY. I WAS JUST GOING TO
20 SAY LET ME JUST REMIND YOU WHAT THE CHAIR DOES. THE
21 CHAIR WILL BE NOT BRINGING THE DELIBERATIONS TO ICOC.
22 THE CHAIR WILL NOT BE OVERSEEING THE WRITE-UP OF THOSE.
23 THE CHAIR WILL PRESIDE AND THE CHAIR WILL HELP -- THE
24 KEY POINT, I THINK, AS MUCH AS ANYTHING ELSE, IS IN
25 HELPING CHOOSE REVIEWERS. YOU'VE GOT 15 PEOPLE, YOU'VE

1 GOT 70 GRANTS, AND EACH GRANT NEEDS TWO REVIEWERS. AND
2 WHO ARE THE BEST ONES TO TALK ABOUT TO DO THAT. SO
3 THAT'S A VERY SORT OF A DELICATE JOB.

4 ALSO, THERE MAY BE QUESTIONS IN WHICH YOU
5 DISCUSS CONFLICT OF INTEREST. CIRM STAFF MIGHT SAY
6 DIDN'T SO-AND-SO PUBLISH WITH SO-AND-SO AND DO YOU SEE
7 A CONFLICT OF INTEREST HERE? ANY ISSUE LIKE THAT, IT'S
8 A QUESTION OF WHETHER SOMEBODY HAS A -- PUBLICLY IS IN
9 OPPOSITION. SO I ACTUALLY -- IT IS IN SEVERAL WAYS A
10 VERY MECHANICAL JOB.

11 ON THE OTHER HAND, I THINK JEFF'S IDEA IS AN
12 EXCELLENT ONE IN THE SENSE THAT THERE WILL BE PATIENT
13 ADVOCATES THERE. AND I THINK FOR SOMEBODY NOT TO CARRY
14 OUT THOSE PARTICULAR FUNCTIONS THAT I MENTIONED THERE,
15 BUT TO DEAL -- AND HELP WORK OUT THE PROCEDURES AND TO
16 BE A PARTICIPANT, I THINK, WOULD INCREASE
17 PARTICIPATION.

18 I WILL JUST PASS ON FOR YOUR CONSIDERATION
19 ONE COMMENT. IT CERTAINLY TOOK ME A LITTLE BIT BY
20 SURPRISE AND I JUST PASS IT ON TO YOU. I MENTIONED TO
21 SOMEBODY WHO IS A VERY EXPERIENCED NIH PERSON IN GRANTS
22 REVIEW THAT THERE WILL BE PATIENT ADVOCATES WHO WERE
23 ALSO ON THE ICOC. HE SAID, WELL, THEN YOU DON'T HAVE
24 TWO INDEPENDENT LINES OF REVIEW.

25 SO THERE IS THAT ISSUE. AND I THINK AS LONG

1 AS THE CO-CHAIR DOES NOT ASSUME RESPONSIBILITY FOR
2 PRESENTING THE RESULTS TO THE COMMITTEE, AND LET'S THAT
3 GO THROUGH STAFF; THAT IS, THE STAFF TAKES THE RESULTS
4 TO THE COMMITTEE AND THEN PRESENTS THEM FOR
5 CONSIDERATION BY THE ICOC. BUT I THINK TO HAVE A
6 CO-CHAIR THAT'S A PATIENT ADVOCATE, IT WOULD HELP IN
7 THE ORGANIZING OF THE COMMITTEES. IT WOULD BE
8 ACCESSIBLE TO ASK ONE'S OPINION ABOUT WHAT DO YOU THINK
9 OF DOING IT THIS WAY OR DOING IT THAT WAY, AND JUST TO
10 HAVE A SENSE OF PARTICIPATION IN IT RATHER THAN BEING
11 PASSIVE BYSTANDERS FOR THE FIRST PART OF IT I
12 PERSONALLY WOULD SUPPORT, BUT I LEAVE THAT TO YOUR
13 DISCUSSIONS.

14 CHAIRMAN KLEIN: CAN I ASK, DR. HALL, AS YOU
15 POINTED OUT, THERE IS ABILITY TO TAKE THIS PROPOSAL AND
16 HAVE CERTAIN PARTS OF THE FUNCTION INVOLVE A CO-CHAIR
17 BECAUSE CERTAINLY THERE'S A TWO-STEP REVIEW HERE AS
18 WELL. SCIENTISTS AND PHYSICIAN SCIENTISTS TRYING TO
19 EVALUATE THE VERY BEST SCIENCE, MEDICAL CASES. AND
20 THEN FROM THE VERY BEST SCIENCE, THERE IS A REVIEW
21 INVOLVING THE SEVEN PATIENT ADVOCATES IN THAT PROCESS.
22 THERE'S A TWO-PART REVIEW THAT GOES ON.

23 I WOULD SUGGEST THAT WE CAN DECIDE WHAT'S
24 BEFORE US BECAUSE WHAT WE'RE TALKING ABOUT IS HAVING A
25 CHAIR. THERE'S A SEPARATE ITEM AS TO WHETHER WE HAVE A

1 CO-CHAIR. AND WHILE THIS IS A VERY -- I THINK THAT
2 THERE'S THE PATIENT ADVOCATE FORMAT THAT THIS COULD
3 FOLLOW. THERE IS PRECEDENT FOR DOING THIS. AND THERE
4 ARE SOME GOOD REASONS FOR DOING THIS THAT HAVE BEEN
5 MENTIONED, THAT I'M WONDERING WHETHER WE COULD PICK
6 THIS QUESTION UP ON THE CO-CHAIR AT A DIFFERENT TIME
7 BECAUSE IT DESERVES SOME SERIOUS CONSIDERATION, BUT
8 PERHAPS SOME OTHER TIME.

9 DR. HALL: WHAT'S BEFORE THE COMMITTEE RIGHT
10 NOW IS TO CHOOSE A CHAIR. THAT HAS THE SENSE -- MY
11 SENSE IS THAT AS YOU GO THROUGH -- AS THE SUBCOMMITTEES
12 GO THROUGH THESE PEOPLE THAT THEY'RE INVITING TO
13 PARTICIPATE, THAT'S THE TIME TO BE THINKING ABOUT WHO
14 AMONG THE PEOPLE I'M TALKING TO IS SOMEBODY WHOSE
15 INTEREST AND COMMITMENT AND EXPERTISE WOULD QUALIFY
16 THEM TO BE THE CHAIR OF THIS TECHNICAL GROUP AND
17 PERFORMING THE KINDS OF FUNCTIONS THAT I MENTIONED
18 BEFORE.

19 MY CONCERN IS THAT WE NOT GO INTO THE FIRST
20 MEETING WITHOUT A CHAIR. IT'S VERY HARD FOR THEM TO
21 PLAN, AND WE NEED SOMEBODY TO DISCUSS BEFOREHAND, AND
22 THIS IS A LITTLE BIT DIFFERENT FROM THE WAY NIH WORKS.
23 WE WILL NEED SOMEBODY BEFOREHAND TO WORK WITH TO SAY --
24 TO FIGURE OUT HOW WE'RE GOING TO DO THIS FIRST TIME
25 AROUND. THAT, I THINK, NEEDS TO BE A VERY ABLE PERSON.

1 SO I WOULD SECOND THE CHAIR'S IDEA THAT IF WE
2 COULD GO AHEAD AND AGREE THAT WE'LL PICK A CHAIR WHO
3 WOULD BE ONE OF THE TECHNICAL PEOPLE WHO WILL CARRY OUT
4 THOSE FUNCTIONS, AND THEN LATER COME AND CONSIDER THE
5 CO-CHAIR, I'D BE HAPPY TO DO THAT.

6 CHAIRMAN KLEIN: WE COULD ALSO AGENDIZE THIS
7 FOR THE MAY 6TH MEETING. SO IT'S NOT SOMETHING WE'RE
8 TALKING ABOUT PUTTING OFF FOR LONG, BUT GETTING A QUICK
9 DECISION ON, BUT HAVING ADEQUATE TIME TO DISCUSS THE
10 IDEA.

11 MR. SERRANO-SEWELL: I WANTED TO CONCLUDE MY
12 COMMENTS. I'LL BE VERY BRIEF. AND THAT IS -- AND I'M
13 SPEAKING TO ALL OF MY COLLEAGUES, BUT PARTICULARLY TO
14 THE SUBCOMMITTEE CHAIRS, DR. FRIEDMAN, DR. KESSLER, DR.
15 HOLMES, THAT THEY NOT PER SE EXCLUDE FOR CONSIDERATION
16 A PATIENT ADVOCATE TO SERVE AS CO-CHAIR OR CHAIR, THAT
17 THEY DON'T DISMISS THAT POSSIBILITY OUT OF HAND BECAUSE
18 I THINK THERE ARE GOOD, COMPELLING REASONS THAT WE CAN
19 DISCUSS NOW OR AT A LATER DATE, IF THAT IS YOUR
20 DIRECTION, CHAIRMAN KLEIN, FOR HAVING A PATIENT
21 ADVOCATE SERVE IN THAT CAPACITY.

22 CHAIRMAN KLEIN: I'M CONCERNED THAT WE'RE IN
23 DANGER OF LOSING OUR QUORUM TO GET THE BASIC ITEMS. I
24 RECOGNIZE THE IMPORTANCE OF THIS. AS A PATIENT
25 ADVOCATE, AS YOUR CHAIR, I IDENTIFY WITH YOUR COMMENTS,

1 AND THERE'S GREAT VALUE IN YOUR COMMENTS. I JUST
2 RESPECTFULLY ASK IF WE COULD AGENDIZE THIS ITEM FOR THE
3 NEXT MEETING, I'D APPRECIATE IT. BUT JEFF SHEEHY.

4 MR. SHEEHY: I HAVE FAITH IN YOU AS CHAIR. I
5 ALSO MIGHT SUGGEST THAT IF IT'S AMENABLE TO THE SEARCH
6 COMMITTEE CHAIRS, IF THERE'S TIME PERMITTING IN THOSE
7 MEETINGS THAT ARE IN THE INTERIM, IF THEY'RE WILLING TO
8 PERHAPS ENTERTAIN THE DISCUSSION AND THINK ABOUT HOW IT
9 MIGHT WORK, AND MAYBE STAFF MIGHT OFFER SOME ADVICE. I
10 THINK IT'S AN IMPORTANT ISSUE, BUT I APPRECIATE IT.

11 DR. HALL: LET ME JUST SAY WE HAVE TWO
12 COMMITTEES, AND I THINK IT'S PARTICULARLY IMPORTANT FOR
13 THE MEDICAL STANDARDS COMMITTEE.

14 CHAIRMAN KLEIN: THANK YOU, DR. HALL. DR.
15 STEWARD.

16 DR. STEWARD: I ASSUME WE'RE DONE WITH THAT,
17 AND I WANTED TO CONSIDER ONE OTHER ITEM, WHICH IS THE
18 CONSULTANT RATE. AND I WOULD LIKE TO SECOND DR.
19 LEVEY'S COMMENT EARLIER ON, THAT WE REALLY SHOULD THINK
20 ABOUT A THOUSAND DOLLARS PER DAY. WE'RE TALKING ABOUT
21 AN ENORMOUS AMOUNT OF WORK. I UNDERSTAND COMMITTEE
22 MEMBERS JUST COME TO THE MEETING AND THAT'S THE TIME WE
23 SPEND. THEY SPEND ENORMOUS AMOUNTS OF TIME BEFORE THE
24 MEETING REVIEWING THE GRANTS.

25 PEOPLE FROM THE EAST COAST, AS MANY OF OUR

1 REVIEWERS WILL BE, AS ZACH SAID, HAVE EFFECTIVELY A
2 THREE-DAY TRAVEL FOR EVERY ONE DAY THEY SPEND HERE. SO
3 IT REALLY BREAKS DOWN TO ABOUT \$300 A PER DAY IF YOU
4 THINK ABOUT IT THAT WAY. WE REALLY NEED TO BE ABLE TO
5 GET THE VERY BEST PEOPLE. AND THAT RATE IS NOT ONE
6 THAT IS EXCESSIVE FOR GETTING THE VERY HIGHEST QUALITY
7 REVIEWERS AND HAVE THEM ACTUALLY DO THE WORK WE'RE
8 ASKING THEM TO DO.

9 CHAIRMAN KLEIN: LET ME ASK THIS QUESTION.
10 GENERALLY THESE PEOPLE ARE EXTREMELY BUSY. THEY
11 ACTUALLY WORK ON PLANES IN TRANSIT. IF WE RECOGNIZE
12 THAT FACT AND GIVE THEM COMPENSATION FOR THE TRAVEL
13 TIME AS WELL, THE EXPECTED TRAVEL TIME, DOES THAT
14 ESSENTIALLY HELP ADDRESS THE ISSUE?

15 DR. HALL: LET ME JUST ENTER INTO THE RECORD
16 AND UNDERLINE WHAT DR. STEWARD SAID THAT ALL OF US WHO
17 SERVE ON THESE COMMITTEES KNOW. MEMBERS ON THESE
18 COMMITTEES MAY BE CALLED TO BE PRIMARY OR SECONDARY
19 REVIEWERS FOR SOMETHING ON THE ORDER OF TEN GRANTS,
20 TWELVE GRANTS. FOR EACH OF THOSE, THEY WILL SPEND --
21 WHAT'S AN ESTIMATE OF HOW MUCH TIME IT WOULD TAKE
22 THEM -- FIVE HALF DAYS, TO REALLY READ CAREFULLY AND
23 CONSIDER AND COME UP WITH WRITTEN COMMENTS FOR A GRANT.
24 THEY SUBMIT TYPEWRITTEN THINGS. THESE ARE NOT
25 OFF-THE-CUFF JUDGMENTS. THEY'RE VERY CAREFULLY

1 REASONED EXAMINATIONS. IT REALLY IS HALF A DAY'S WORK
2 BEFORE YOU EVEN GET THERE, READING GRANTS AND SO FORTH.

3 MR. SHESTACK: THAT'S ONLY THE GRANTS FOR
4 WHICH THEY'RE PRIMARY OR SECONDARY.

5 DR. HALL: IT'S THE OTHERS THEY READ ON THE
6 PLANE.

7 MR. SHESTACK: I AGREE WITH OZ. IT'S NOT A
8 QUESTION OF MAKING UP FOR IT IN TRAVEL TIME. IT'S A
9 MATTER OF ACTUALLY DECLARING AND NOT BEING AFRAID TO
10 DECLARE THAT THIS IS WORTH MONEY. THE THOUSAND DOLLARS
11 IS NOT REALLY WORTH IT. IT'S WORTH MUCH MORE THAN THAT
12 IF YOU ACTUALLY HAD TO PAY FOR IT. THEY'RE NOT DOING
13 YOUR DUTY TO THE NIH. IT ISN'T THAT KIND OF A GUILT
14 THING. IT WILL NEVER BE FUNDED BY US. I THINK IT'S
15 ACTUALLY WE SHOW OUR RESPECT FOR THEM AND THE PROCESS
16 IF THEY BE PAID A REASONABLE AMOUNT. \$500 ISN'T.

17 CHAIRMAN KLEIN: YES. DR. PRIETO.

18 DR. PRIETO: DR. HALL, WHAT IS GOING RATE AT
19 NIH, AT HOWARD HUGHES, JDRF, AND ALL THOSE VARIOUS
20 INSTITUTIONS THAT ARE WANTING PEOPLE TO DO THIS WORK?

21 DR. HALL: HOWARD HUGHES IS GENERALLY, WHAT,
22 FIVE HUNDRED?

23 DR. POMEROY: BUT YOU CAN FLY TO FRANCE.

24 CHAIRMAN KLEIN: THE BIG DIFFERENCE IS THAT
25 WE HAVE A SITUATION WHERE PEOPLE WHO DO OUR REVIEW

1 CANNOT QUALIFY FOR GRANTS, AND PEOPLE WITH THE NIH ARE
2 WORKING ON REVIEWS AND THEY CAN QUALIFY FOR NIH GRANTS.
3 SO THEY HAVE AN ADDITIONAL CONSIDERATION THAT WE HAVE
4 DRAWN A CONFLICTS LINE WHICH IS MUCH MORE STRICT THAN
5 THE NIH, AND THEY CAN'T DO REVIEW FOR US AND QUALIFY
6 FOR GRANTS FROM US. SO IT'S A DIFFERENT SITUATION.

7 DR. BALTIMORE.

8 DR. BALTIMORE: THIS KIND OF A COMMITTEE ALL
9 THE TIME PARTICIPATES IN REVIEWS IN WHICH THEY
10 INDIVIDUALLY CANNOT BENEFIT. HOWARD HUGHES IS A VERY
11 GOOD EXAMPLE. ALL THE REVIEWERS AT HOWARD HUGHES,
12 PEOPLE WHO ARE NOT ENTITLED TO GET MONEY FROM HOWARD
13 HUGHES. THE SAME IS TRUE FOR (INAUDIBLE.) MANY OF US
14 SIT ON PANELS FOR POSTDOCTORAL FELLOWSHIP REVIEW, BUT
15 WE CAN'T GET ANY MONEY FOR IT. AND I DON'T THINK, AT
16 LEAST AMONG THE PEOPLE I'VE TALKED TO, I'VE NEVER HEARD
17 ANYBODY SAY, OH, THEY'RE CHEAPSKATES. THEY ONLY GIVE
18 ME X.

19 IN FACT, IF THEY GIVE YOU AS MUCH AS \$500,
20 THAT SEEMS LIKE, YOU KNOW, A WINDFALL, MAYBE EVEN
21 EXCESSIVE. AND IF YOU'RE REALLY TRYING -- AND THIS
22 COMES BACK TO WHAT WE SAID DOWN HERE. IF YOU'RE REALLY
23 TRYING TO PAY FOR THEIR TIME, THEN YOU'RE GOING TO HAVE
24 TO PAY A LOT OF MONEY. YOU'RE TALKING ABOUT A
25 CONSULTING FEE THAT BRISTOL-MYERS WOULD PAY SOMEBODY,

1 AND THEN MAYBE EVEN A THOUSAND DOLLARS IS NOT ENOUGH.

2 SO I THINK YOU ARE DOING PERFECTLY WELL AT
3 \$500 BECAUSE I DON'T THINK YOU'RE REALLY TRYING TO
4 COMPENSATE THEM FOR THE TIME THAT THEY'RE SPENDING.
5 THE SCIENTIFIC COMMUNITY IS QUITE COMFORTABLE WITH
6 HELPING EACH OTHER OUT. HELPING THE SALK INSTITUTE, TO
7 HELP RICH MURPHY, AND NONE OF US ARE GETTING ANY
8 BENEFIT FROM THAT. HE DOESN'T PAY US ANYTHING.

9 DR. MURPHY: I DON'T GET THAT MUCH BENEFIT
10 EITHER.

11 CHAIRMAN KLEIN: DR. LOVE.

12 DR. LOVE: CHAIRMAN, I WAS JUST GOING TO SAY
13 THAT IN THE CONVERSATIONS THAT I'VE BEEN HAVING IN THE
14 PROCESS OF RECRUITING, I WOULD SAY THAT THE NUMBER ONE
15 REASON THAT PEOPLE WANT TO BE INVOLVED IN THIS IS
16 BECAUSE OF THE COMMITMENT TO WHAT THEY THINK STEM CELL
17 RESEARCH WILL PRODUCE AND THE HISTORIC NATURE OF WHAT'S
18 GOING ON WITH IT. I DON'T THINK IT'S REALLY FINANCIAL.
19 AND I THINK DR. BALTIMORE'S POINTS ARE VERY VALID ONES.
20 IF YOU REALLY WANT TO KNOW WHAT IT'S WORTH, I REALLY
21 DON'T THINK A THOUSAND DOLLARS GETS THERE. THIS IS
22 REALLY A TOKEN TO ACKNOWLEDGE THE PARTICIPATION.

23 CHAIRMAN KLEIN: YES.

24 DR. THAL: I'M GOING TO KIND OF AGREE SINCE
25 I'VE BEEN IN TOUCH WITH PEOPLE WHO HAVE BEEN DOING

1 THESE GRANT REVIEWS. NOT A SINGLE PERSON HAS ASKED ME
2 HOW MUCH THEY'RE GOING TO GET PAID. THEY ASK ME HOW
3 MUCH TIME IT'S GOING TO TAKE IF THEY HAVE TO TRAVEL TO
4 CALIFORNIA, BUT THEY HAVEN'T ASKED ME ABOUT THE MONEY.

5 I DO WANT TO MAKE A COMMENT. YOU'RE
6 TALKING -- YOU'RE MAKING AN ESTIMATE OF 70 GRANTS AND
7 10 PER INDIVIDUAL. THAT MAY BE FOR TRAINING GRANTS.
8 WHEN WE START DOING ROIS, WE'RE GOING TO SEE HUNDREDS.
9 WE ARE VASTLY UNDERESTIMATING THE NUMBER OF GRANTS THAT
10 ARE GOING TO COME IN. THE ESTIMATES I HAVE FROM
11 COLLEAGUES ARE THAT WE MAY BE DEALING WITH 500 TO A
12 THOUSAND SCIENTIFIC GRANTS.

13 CHAIRMAN KLEIN: DR. POMEROY.

14 DR. POMEROY: I'D LIKE TO BRING UP A
15 DIFFERENT, BUT RELATED ISSUE. I THINK IT'S ACTUALLY
16 VERY GOOD THAT YOU'VE PUT IN HERE \$500 FOR THE CLERICAL
17 SUPPORT REIMBURSEMENT BECAUSE WE ALL KNOW THAT WHEN WE
18 DO GRANT REVIEWS, THIS OFTEN FALLS ON OUR SECRETARIES
19 AS MUCH AS IT FALLS ON US IN TERMS OF THE EXTRA WORK.

20 I WONDER IF THERE'S SOMETHING IN PROP 71 THAT
21 PRECLUDES US FROM REIMBURSING THE ICOC WORKING GROUP
22 MEMBERS FOR CLERICAL SUPPORT. BECAUSE I THINK IT'S AN
23 EVEN BIGGER BURDEN FOR SOME OF THE PATIENT ADVOCATES
24 WHO WILL STILL BE DOING A LOT OF WORK.

25 CHAIRMAN KLEIN: THE ANSWER IS NO. WE CAN'T

1 PROVIDE CLERICAL SUPPORT TO THE PATIENT ADVOCATES OR
2 OTHER BOARD MEMBERS. WITH THE WORKLOAD THAT WE'RE
3 SEEING, THAT'S AN ISSUE WE'RE GOING TO HAVE TO ADDRESS
4 BECAUSE WE'RE PUTTING BURDENS ON STAFFS THAT ARE
5 SIGNIFICANT, VERY SIGNIFICANT.

6 I'M GOING TO LOSE MY QUORUM HERE SHORTLY. SO
7 I'D LIKE TO DO THIS, IF I CAN. CAN WE ASK FOR PUBLIC
8 COMMENT AT THIS POINT ON THESE ITEMS?

9 MS. WHITAKER: I'M DIANE WHITAKER. I WANT TO
10 PUT MY BIASES UP FRONT BEFORE I MAKE MY STATEMENT. MY
11 FIRST BIAS IS THAT I AM AN ALS ADVOCATE, AND I FOLLOW
12 THAT ILLNESS AND I ADVOCATE FOR IT.

13 MY SECOND BIAS IS THAT MY CONSTITUENCY AND I
14 PERSONALLY WANT YOU GUYS TO SUCCEED. WE MAY DIFFER
15 WITH YOU FROM TIME TO TIME ON CERTAIN DETAILS, BUT WE
16 FEEL FREE TO COMMUNICATE THIS. AND THAT LEADS ME TO
17 MAKE ONE SUGGESTION ABOUT THE MAKEUP OF THE SCIENTIFIC
18 REVIEW WORKING GROUP. AND THAT IS THAT I WONDER IF THE
19 ADVOCACY MEMBERSHIP ON IT COULD REVOLVE BECAUSE THE WAY
20 I UNDERSTAND IT, THE SIX ADVOCATES WHO ARE ON IT ARE ON
21 IT FOREVER, WHICH LEAVES SEVERAL OF THE ILLNESSES
22 UNREPRESENTED FOREVER.

23 AND SO I'M JUST SUGGESTING THAT YOU LOOK INTO
24 THE POSSIBILITY OF THAT BEING A SOMEWHAT REVOLVING
25 POSITION OR, IN ANOTHER CASE, MAYBE CALLING IN FOR

1 SPECIFIC PROPOSALS THAT ARE UNDER CONSIDERATION THE
2 ADVOCATES WHO HAVE THE GREATEST INTEREST IN THAT
3 PARTICULAR ILLNESS.

4 HAVING SAID THAT, I WANT YOU TO KNOW THAT WE
5 APPLAUD YOUR EFFORTS, HAVE CONFIDENCE IN YOUR
6 COMMITMENT, YOUR EFFORTS, AND YOUR ADHERENCE TO
7 EXISTING LAW. OUR CONCERN IS THAT THERE ARE SOME
8 INDIVIDUALS OR ORGANIZATIONS THAT COULD NOT DEFEAT
9 PROPOSITION 71 AT THE POLLS AND ARE ATTEMPTING NOW, AND
10 IN SOME CASES, BY NIT-PICKING AND GRANDSTANDING TO
11 UNDERMINE YOUR PROGRESS WITH ADMINISTRATIVE ROADBLOCKS.

12 I WANT YOU AND THEM TO KNOW THAT THOSE OF US
13 WHO SUPPORTED THE PROPOSITION AND WHO NOW SUPPORT WHAT
14 YOU ARE DOING TO REALIZE THIS OBJECTIVE WILL NOT
15 CONTINUE TO BE SILENT. THANK YOU.

16 CHAIRMAN KLEIN: THANK YOU FOR YOUR ELOQUENT
17 STATEMENT.

18 OUR TRANSCRIPTIONIST HAS ASKED FOR A PERSONAL
19 BREAK HERE. IT'S VERY IMPORTANT THAT WE NOT LOSE OUR
20 QUORUM. IF WE CAN TAKE JUST A COUPLE-MINUTE BREAK AND
21 COME IMMEDIATELY BACK IN FIVE MINUTES? OKAY. WE
22 HAVE -- HOW MANY OTHER PUBLIC COMMENTS DO WE HAVE?

23 THE REPORTER: WE COULD JUST DO THEM. I'M
24 FINE. THANK YOU.

25 MR. RUTEGER: MY NAME IS KEVIN RUTEGER, AND

1 I'M WITH THE SERVICE EMPLOYEES UNION, LOCAL 1877. OUR
2 UNION REPRESENTS THOUSANDS OF JANITORS THROUGHOUT THE
3 STATE, INCLUDING MANY OF THOSE AT THE BIOTECHNOLOGY AND
4 PHARMACEUTICAL COMPANIES WHO ARE LIKELY TO RECEIVE
5 FUNDING FROM THIS BOARD. WHEN CONDUCTING YOUR WORK AND
6 WHEN SELECTING THE SITE FOR YOUR FACILITY, WE ASK THAT
7 YOU BE SURE TO TAKE INTO ACCOUNT WORK TO IMPROVE AREA
8 STANDARDS FOR JANITORS. WHEN JANITORS ARE TREATED WITH
9 RESPECT AND RECEIVE DECENT WAGES AND BENEFITS,
10 WORKPLACE TURNOVER IS REDUCED AND THE QUALITY OF
11 CLEANING PROVIDED IMPROVES.

12 AS YOU KNOW, HIGH STANDARDS OF CLEANLINESS
13 ARE CRITICAL, PARTICULARLY IN ANY OF THE INDUSTRIES YOU
14 WILL FUND. MANY COMPANIES LIKE GENENTECH AND PFIZER
15 HAVE STEPPED FORWARD TO SUPPORT HEALTHCARE AND END
16 POVERTY WAGES FOR THE JANITORS. UNFORTUNATELY, MANY
17 OTHERS HAVE FAILED TO MEET THIS CHALLENGE.

18 CHAIRMAN KLEIN: I CAN GIVE YOU AN ADDITIONAL
19 THREE MINUTES AT THE END, BUT RIGHT NOW WE HAVE TO KEEP
20 TO PUBLIC COMMENTS ON THIS PARTICULAR TOPIC. I'LL GIVE
21 YOU ANOTHER THREE MINUTES AT THE END OF THE SESSION
22 WHEN WE'RE IN GENERAL PUBLIC COMMENTS.

23 YES, NEXT ONE.

24 MR. REYNOLDS: HELLO. THIS IS JESSE
25 REYNOLDS. I'D LIKE TO APPLAUD THE BOARD'S FOR

1 CONSIDERATION OF ADOPTING OPEN MEETINGS FOR AT LEAST
2 SOME OF THE WORKING GROUP MEETINGS WITH THE PRINCIPLE
3 THAT DEFAULT SHOULD BE OPEN MEETINGS WITH CLEAR AND
4 EXPLICIT, FINITE EXCEPTIONS, SUCH AS PEER REVIEW AND
5 PATIENT PRIVACY.

6 I WOULD ASK YOU TO RECONSIDER, THOUGH, YOUR
7 POLICY FOR THE GRANTS WORKING GROUP. TERRY FRANK HAS
8 POINTED OUT THAT FOUR OR FIVE RESPONSIBILITIES OF THIS
9 WORKING GROUP AS DEFINED IN THE LAW DO NOT INVOLVE PEER
10 REVIEW OF SPECIFIC GRANTS, BUT INSTEAD INVOLVE SEVEN
11 POLICIES. I FEEL THAT OPEN MEETINGS WOULD BE MORE
12 APPROPRIATE FOR THAT FORMAT.

13 REGARDING THE CONFLICTS OF INTEREST, I THINK
14 THERE ARE MANY GOOD POINTS THAT HAVE BEEN BROUGHT UP.
15 I'D LIKE TO DRAW YOUR ATTENTION IN PARTICULAR TO THE
16 FINAL SENTENCE IN THE MEMO THAT WAS HANDED OUT. THIS
17 IS RIGHT ABOVE THE HEADING CONSULTING RATE ON THE
18 FOURTH PAGE. IT SAYS THAT EXCEPT FOR SPECIFIC
19 EXCEPTIONS IN WHICH THE ICOC JUDGES THAT THE
20 DISADVANTAGES OF A PERSON'S CONFLICT OF INTEREST ARE
21 OUTWEIGHED BY THE NEED FOR THEIR PARTICULAR EXPERTISE,
22 INDIVIDUALS WITH A SIGNIFICANT CONFLICT OF INTEREST
23 WILL NOT BE PERMITTED TO SERVE ON THE STANDARDS
24 WORKING GROUP.

25 I'M CONCERNED WITH THIS POLICY THAT WOULD DO

1 TWO THINGS AND URGE YOU TO REJECT THIS PARTICULAR PART.
2 ONE THING IT WOULD DO, WHEN PUSH COMES TO SHOVE, THERE
3 MIGHT NOT BE ANY FIRM CONFLICT OF INTEREST.

4 SECONDLY, IT CREATES A POTENTIAL OF HAVING
5 TWO TIERS OF CANDIDATES FOR THE STANDARDS WORKING
6 GROUP, ONE TO WHICH THE CONFLICT OF INTEREST PROVISIONS
7 WOULD APPLY, ANOTHER ONE TO WHICH THEY MIGHT NOT.

8 CHAIRMAN KLEIN: THANK YOU. NEXT POINT.

9 MS. FOGEL: SUSAN FOGEL. THANK YOU. I WANT
10 TO SUPPORT THE SUGGESTION, AND I DON'T KNOW IF PERHAPS
11 MR. HARRISON CAN LOOK THROUGH THE INITIATIVE TO SEE IF
12 THERE IS A WAY TO HAVE SHORTER TERMS FOR SOME OF THE --
13 AND PERHAPS THESE LONG TERMS ARE ONEROUS ON THE
14 SCIENTISTS YOU'RE TRYING TO RECRUIT ALSO, BUT HAVE
15 SHORTER TERMS FOR THOSE WHO SERVE ON THE WORKING
16 GROUPS.

17 I ALSO WANT TO JUST KIND OF EMPHASIZE THAT
18 THOSE OF US WHO ARE INVOLVED ARE INVOLVED BECAUSE THIS
19 IS A DEMOCRATIC PROCESS. WE DON'T HAVE YELLOW PADS.
20 WE HAVE WHITE PADS. WE OFFERED WHEN WE ASKED TO BE
21 ABLE TO PARTICIPATE ON THE SUBCOMMITTEES, AND WE WERE
22 TOLD THAT THEY DIDN'T THINK THAT WAS APPROPRIATE. BUT
23 WE CERTAINLY HAVE -- I THINK THIS WAS A SUGGESTION THIS
24 MORNING, THAT THERE COULD BE SOME SUBCOMMITTEES LOOKING
25 AT SOME OF THESE ISSUES IN DEPTH THAT NEED TO COME

1 BACK. AND I KNOW MANY OF US WHO WOULD BE VERY WILLING
2 TO PARTICIPATE IN A VERY EFFICIENT, EFFECTIVE MANNER
3 AND STILL BE AN OPEN MEETING; BUT IF THERE WAS MORE
4 GIVE AND TAKE, WE MIGHT BE ABLE TO GET THINGS DONE MORE
5 QUICKLY.

6 WE BRING INTELLECTUAL PROPERTY EXPERTISE,
7 ADMINISTRATIVE LAW EXPERTISE, PATIENT PROTECTION
8 EXPERTISE, BIOETHICS EXPERTISE, AND WE'D LIKE TO SEE
9 THIS EFFORT BE SUCCESSFUL. AND THAT'S WHY WE
10 PARTICIPATE. IT'S NOT BECAUSE WE'RE CHECKING UP ON
11 YOU. IT'S BECAUSE WE WANT TO BE PART OF THE PROCESS,
12 AND WE BELIEVE WE HAVE SOMETHING TO OFFER.

13 I ALSO WANT TO ENDORSE THE IDEA, RECOGNIZING
14 THE IMPORTANCE OF CLOSED PEER REVIEW ON GRANTS, BUT
15 THAT THE SAME COMMENTS MANY OF YOU MADE ABOUT WHY THE
16 STANDARDS WORKING GROUP SHOULD BE OPEN SHOULD APPLY TO
17 WHY THE MEETINGS OF A GRANT REVIEW WORKING GROUP THAT
18 DEAL WITH STANDARDS, CRITERIA, CRITERIA FOR EVALUATION
19 SHOULD ALSO BE OPEN.

20 WE HAVE A LOT TO OFFER TO MAKE THIS MORE
21 EFFECTIVE AND MOVE THIS PROCESS FORWARD, AND THAT'S
22 WHAT WE WOULD LIKE TO DO. SO I HOPE YOU WOULD AMEND
23 YOUR RECOMMENDATIONS, A, TO ALLOW MORE PUBLIC
24 PARTICIPATION AS OPPOSED TO JUST STANDING UP AT THE
25 END; B, PERHAPS TO ALLOW BETTER REPRESENTATION ON THE

1 WORKING GROUPS; AND, C, TO KEEP AS MUCH OF ALL THE
2 MEETINGS OPEN AS MUCH AS POSSIBLE. THANK YOU.

3 CHAIRMAN KLEIN: THANK YOU, SUSAN. IF YOU
4 COULD MEET WITH ME OUTSIDE THIS MEETING ABOUT YOUR
5 CONCEPTS OF HOW WE CAN GET MORE PARTICIPATION.

6 MR. HALPERN.

7 MR. HALPERN: THANK YOU. I JUST WANT TO MAKE
8 A FEW COMMENTS ON THESE VARIOUS RESOLUTIONS. THE FIRST
9 ONE CONCERNS THE CONFLICT OF INTEREST ISSUE ON THE TWO
10 WORKING GROUPS. I WOULD SUGGEST, AS DR. LEE AND I DID
11 IN OUR PETITION, THAT THE MEMBERS OF THE WORKING GROUPS
12 FILL OUT FORM 700S, AND THAT THE PUBLIC KNOW WHAT
13 CONFLICTS, IF ANY, THEY'RE BRINGING TO THEIR DECISIONS.
14 THEY ARE PUBLIC OFFICIALS. SOME OF YOU MAY HAVE SEEN
15 THE "SACRAMENTO BEE" THIS WEEK MAKING THE SAME
16 ARGUMENT. THEY SHOULD FILE SO THAT THERE IS PUBLIC
17 INFORMATION ABOUT THEIR KNOWN CONFLICTS. WE THINK IT
18 UNLIKELY THAT THIS WOULD DISCOURAGE MANY PEOPLE FROM
19 PARTICIPATING IN THIS PROCESS.

20 SECOND, I WANT TO NOTE THAT APPENDIX E, WHICH
21 REFERS TO THE CONFLICTS IN THE STANDARDS WORKING GROUP,
22 IS NOT, IN FACT, A CONFLICT OF INTEREST POLICY. IT'S A
23 SET OF QUESTIONS, AND IT DOESN'T SAY WHAT HAPPENS IF
24 YOU ANSWER YES TO ANY ONE OF THOSE QUESTIONS. IT FALLS
25 SHORT OF GIVING A KIND OF CLARITY TO THE PEOPLE WHO ARE

1 THINKING OF SERVING ON THE COMMITTEE.

2 THIRD, WITH RESPECT TO THE OPEN MEETING
3 ISSUES, I WANT TO DRAW YOUR ATTENTION ONCE AGAIN, TO
4 PROP 59 WHICH PASSED ON THE SAME DAY IN THIS STATE TO
5 OPEN MEETING POLICY. AND I WANT TO STRESS THAT ONE OF
6 THE WAYS THAT THIS COMMITTEE CAN STRENGTHEN ITS PROCESS
7 FOR QUICK AND SUCCESSFUL EFFORT IS TO ALIGN ITSELF WITH
8 OTHER POLICIES IN THE STATE WHICH WOULD SUPPORT IT AND
9 NOT SET UP AN INDEPENDENT COURSE.

10 I AM VERY PLEASED, TOO, THAT YOU'RE
11 CONSIDERING THAT THE STANDARDS WORKING GROUP BE OPEN.
12 MY UNDERSTANDING FROM THE DISCUSSION WAS THERE WAS NO
13 ENTHUSIASM FOR THE NATIONAL ACADEMY OF SCIENCE OPTION.
14 I QUITE IDENTIFIED WITH THE GROUP HERE ON THIS FORM OF
15 THE DISCUSSION. THEY WERE SUGGESTING THAT A TRUE OPEN
16 MEETING WITH APPROPRIATE OPPORTUNITIES FOR CLOSED
17 MEETINGS, DEPENDING ON A PARTICULAR MATTER, BUT A BASIC
18 EMPHASIS ON THE OPEN MEETING POLICY.

19 AND LASTLY, I WANT TO JUST SUGGEST THAT THE
20 GRANTS WORKING GROUP IS GOING TO DO A LOT OF WORK THAT
21 DOES NOT INVOLVE INDIVIDUAL GRANTS. AND THE DEFAULT
22 POSITION FOR THAT GROUP OUGHT TO BE OPEN MEETINGS WITH
23 A CLEAR UNDERSTANDING, AS DR. LEE AND I HAVE ENDORSED,
24 THE IDEA --

25 CHAIRMAN KLEIN: DR. HALPERN.

1 MR. HALPERN: -- THERE WAS A MISSTATEMENT OF
2 POSITION WHICH I WOULD LIKE TO CLARIFY.

3 WE DID NOT SUGGEST THAT THE PEER REVIEW
4 DISCUSSION OF INDIVIDUAL GRANTS SHOULD BE HELD IN AN
5 OPEN MEETING. I THINK IT'S APPROPRIATE TO CLOSE THAT
6 DISCUSSION, BUT THAT DOES NOT MEAN CLOSING ALL
7 MEETINGS.

8 CHAIRMAN KLEIN: THANK YOU VERY MUCH. WE
9 HAVE A PROBLEM HERE WITH THE QUORUM. ARE THERE ANY
10 OTHER PUBLIC COMMENTS? I'D LIKE TO MOVE VERY QUICKLY
11 FOR CONSIDERATION BECAUSE WE HAVE JUST A COUPLE OF
12 MINUTES BEFORE WE LOSE OUR QUORUM. WE HAVE 19 MEMBERS.
13 THAT'S EXACTLY A QUORUM.

14 COUNSEL, SHOULD WE MOVE SEQUENTIALLY THROUGH
15 THESE?

16 MR. HARRISON: YES.

17 CHAIRMAN KLEIN: DR. HALL, COULD YOU JUST
18 CITE EACH ITEM VERY QUICKLY IN SUMMARY IN ONE SENTENCE,
19 AND WE'LL VOTE ON EACH ITEM AS WE GO.

20 DR. HALL: YES. THE FIRST IS
21 CONFIDENTIALITY.

22 CHAIRMAN KLEIN: FOR THE PEER REVIEW PROCESS.

23 DR. HALL: SO WE ASK FOR -- ANYHOW, WE ASK
24 FOR APPROVAL OF THE POLICIES THAT WERE PRESENTED FOR
25 CONFIDENTIALITY. THE QUESTION IS I'M TRYING TO

1 REMEMBER IF THERE WERE MODIFICATIONS TO THAT PARTICULAR
2 ONE.

3 CHAIRMAN KLEIN: THERE WERE NOT. IS THERE A
4 MOTION ON THIS?

5 DR. FRIEDMAN: MOVE TO APPROVE.

6 UNIDENTIFIED MEMBER: SECOND.

7 CHAIRMAN KLEIN: MOVED AND SECOND. CALL THE
8 QUESTION. ALL IN FAVOR. OPPOSED.

9 THE NEXT ITEM, DR. HALL.

10 DR. HALL: THE MEETING FORMAT FOR THE GRANTS
11 REVIEW WORKING GROUP. AND WE REQUEST APPROVAL FOR A
12 CLOSED FORMAT FOR THAT WORKING GROUP.

13 CHAIRMAN KLEIN: IS THERE A MOTION?

14 UNIDENTIFIED MEMBER: SECOND.

15 CHAIRMAN KLEIN: IS THERE A SECOND?

16 MR. SERRANO-SEWELL: SECOND.

17 CHAIRMAN KLEIN: ALL IN FAVOR. OPPOSED.

18 GO AHEAD.

19 DR. HALL: THE THIRD IS THE MEETING FORMAT
20 FOR MEDICAL AND ETHICAL STANDARDS WORKING GROUP.

21 CHAIRMAN KLEIN: I BELIEVE WE DECIDED NOT TO
22 ACT ON THIS ITEM. WE HAVE A PREFERENCE FOR OPEN
23 MEETING FORMAT WITH CERTAIN SPECIFIC --

24 DR. HALL: COULD I ASK THE GROUP. I THINK
25 WE'D LIKE TO INCLUDE OR HAVE ICOC -- PERHAPS A SMALL

1 GROUP OF ICOC MEMBERS COULD WORK ON THAT ISSUE WITH
2 COUNSEL.

3 CHAIRMAN KLEIN: I CANNOT HAVE A COMMITTEE
4 ASSIGNED WITHOUT CREATING A BAGLEY-KEENE NOTICED
5 HEARING. AND THE COMMITTEE MEMBERS WITH SUGGESTIONS
6 CAN INDEPENDENTLY COMMUNICATE SUGGESTIONS, BUT WE NEED
7 TO LIMIT THAT VERY STRICTLY TO CONFORM WITH
8 BAGLEY-KEENE.

9 CAN I SEE VERY QUICKLY SOME HANDS OF PEOPLE
10 WHO WOULD LIKE TO COMMUNICATE SUGGESTIONS SO WE KNOW WE
11 HAVE LESS THAN THE -- YES. JEFF SHEEHY, DR. PRIETO,
12 DR. STEWARD. OKAY. THOSE MEMBERS WILL CONTRIBUTE
13 SUGGESTIONS WITH JOAN SAMUELSON.

14 LET'S GO TO THE NEXT ITEM.

15 DR. HALL: OKAY. CONFLICT OF INTEREST FOR
16 THE GRANTS REVIEW WORKING GROUP. WE ASK FOR APPROVAL
17 ON AN INTERIM BASIS AS THESE OTHERS FOR CIRM CONFLICT
18 OF INTEREST POLICIES, THE FORMS. REMEMBER WE HAVE BOTH
19 PRE-REVIEW AND POST-REVIEW FORMS AND THE PROCEDURES FOR
20 HANDLING CONFLICT OF INTEREST FOR THE WORKING GROUP.

21 CHAIRMAN KLEIN: MOTION?

22 UNIDENTIFIED MEMBER: YES.

23 CHAIRMAN KLEIN: SECOND?

24 UNIDENTIFIED MEMBER: SECOND.

25 CHAIRMAN KLEIN: ALL IN FAVOR. OPPOSED.

1 CARRIES.

2 DR. HALL: THIRD IS THE CONFLICT OF INTEREST
3 FOR THE MEDICAL AND ETHICAL STANDARDS WORKING GROUP.
4 AND JUST FOR CLARIFICATION, THIS IS MODELED -- ACTUALLY
5 THE FORM HERE IS MODELED ON A FORM USED BY THE NATIONAL
6 ACADEMY OF SCIENCES, WHICH AT THE TIME OF APPOINTMENT
7 YOU ASK PEOPLE IF THEY HAVE A CONFLICT OF INTEREST.
8 AND AS WE SAID IN THE WORKING GROUP, IF THERE'S ANY
9 SUBSTANTIAL CONFLICT OF INTEREST, UNLESS THERE IS AN
10 OVERRIDING CONSIDERATION, THEY'RE ASKED NOT TO SERVE ON
11 THE COMMITTEE.

12 CHAIRMAN KLEIN: IS THERE A MOTION?

13 DR. WRIGHT: SO MOVED.

14 CHAIRMAN KLEIN: SECOND?

15 UNIDENTIFIED MEMBER: SECOND.

16 CHAIRMAN KLEIN: ALL IN FAVOR. OPPOSED.

17 NEXT ITEM.

18 DR. HILL: CONSULTING RATE. PER DIEM OF FIVE
19 HUNDRED. I TAKE THE DISCUSSION TO MEAN WE SHOULD STAY
20 AT THAT AND A SUPPLEMENT OF UP TO \$500 FOR CLERICAL
21 SUPPORT AND TRAVEL COST AND OUT-OF-POCKET EXPENSES.

22 MS. SAMUELSON: SO MOVED.

23 UNIDENTIFIED MEMBER: SECOND.

24 CHAIRMAN KLEIN: ALL IN FAVOR. OPPOSED.

25 ITEM PASSES.

1 DR. HILL: AND FINALLY RECOMMENDED TO REQUEST
2 NOMINEES FOR GRANTS AND STANDARDS WORKING GROUP CHAIRS
3 FOR THE ICOC MEETING. AND I GUESS WE NEED A -- I THINK
4 THE CO-CHAIRS --

5 CHAIRMAN KLEIN: WE WILL AGENDIZE THESE FOR
6 CONSIDERATION. THIS IS ONLY CONSIDERATION OF THE CHAIR
7 NOW.

8 DR. HALL: THIS DOES NOT STATE WHO WAS TO BE
9 RECOMMENDED. SO I THINK WE SHOULD TAKE JEFF SHEEHY'S
10 REQUEST TO THE TWO RELEVANT MEMBERS THAT THEY SHOULD
11 CONSIDER PATIENT ADVOCACY MEMBERS AS POTENTIAL
12 CO-CHAIRS.

13 CHAIRMAN KLEIN: WELL STATED. IS THERE A
14 MOTION?

15 MS. SAMUELSON: SO MOVED.

16 CHAIRMAN KLEIN: SECOND?

17 UNIDENTIFIED MEMBER: SECOND.

18 CHAIRMAN KLEIN: ALL IN FAVOR? THANK YOU.

19 DR. HALL: THANK YOU ALL VERY MUCH.

20 CHAIRMAN KLEIN: QUICK QUESTION. DR.
21 KESSLER, YOU MADE CERTAIN COMMENTS TODAY ON THE
22 STANDARDS WORKING GROUP AND HOW WOULD YOU LIKE TO
23 ADDRESS THAT ISSUE?

24 DR. KESSLER: MR. CHAIRMAN, I'LL BE VERY
25 BRIEF. IT'S NOT A REQUEST FOR A FORMAL ACTION. IT'S A

1 RECOMMENDATION, AS I UNDERSTAND IT. THERE ARE -- AT
2 OUR LAST MEETING OF THE ICOC, AS YOU'LL REMEMBER, THERE
3 ARE FIVE NOMINEES TO -- FROM THE ICOC DISEASE ADVOCATE
4 GROUP TO THE STANDARDS SUBCOMMITTEE. WE HAVE FOUR
5 MEMBERS THAT WE WILL MAKE RECOMMENDATIONS. WE
6 DISCUSSED PHYLLIS PRECIADO, FRANCISCO PRIETO, JEFF
7 SHEEHY, JONATHAN SHESTACK. OUR GOOD COLLEAGUE JOAN
8 SAMUELSON IS NOT ABLE TO DO THIS BECAUSE -- I SHOULD
9 POINT OUT -- SO SHE NEEDS TO STEP OFF. WE NEED A
10 RECOMMENDATION FROM THE ICOC, SOMEONE STEPPING FORWARD
11 SO THE SEARCH COMMITTEE FOR THE SUBCOMMITTEE TO
12 CONSIDER AT ITS NEXT MEETING.

13 I SHOULD JUST POINT OUT THAT ONE PERSON, ONE
14 OF THE DISEASE ADVOCATES SERVING ON THE STANDARDS WILL
15 HAVE TO END UP SERVING ON ALL THREE. SO BEAR THAT IN
16 MIND. WE DO HAVE A RECOMMENDATION FOR SHERRY -- WE
17 HAVE SOMEBODY WHO'S WILLING, SHERRY LANSING, ALTHOUGH
18 SHE CAN'T BE HERE TODAY, IS WILLING TO BE THAT MEMBER,
19 BUT I WANT TO MAKE SURE THAT ANYONE ELSE WHO WOULD LIKE
20 TO BE CONSIDERED ALSO HAS THAT OPPORTUNITY TO PUT THEIR
21 NAME FORWARD. SO IF THERE IS SOMEBODY, INDICATE THAT.
22 IF NOT, WE'LL BE HAPPY TO STAY WITH SHERRY.

23 CHAIRMAN KLEIN: THANK YOU VERY MUCH. MR.
24 HARRISON, IS THERE ANY OTHER ITEM THAT REQUIRES A
25 QUORUM?

1 MR. HARRISON: NO.

2 CHAIRMAN KLEIN: THAT IS CRITICAL
3 TIMING-WISE? DR. FRIEDMAN.

4 DR. FRIEDMAN: I'M NOT SURE WHETHER THIS
5 REQUIRES A QUORUM. I DO NEED TO JUST ASK EVERYONE WHO
6 IS INTERESTED IN THE PROGRESS OF THE WORKING GROUP ON
7 FACILITIES GRANTS, MATERIALS ARE AVAILABLE. I WANT TO
8 MAKE A PUBLIC ANNOUNCEMENT THAT WE ARE ENCOURAGING
9 NOMINATIONS FOR THAT. INFORMATION IS FULLY UP ON THE
10 WEB, AND I JUST WANTED TO MAKE SURE THAT GOT INTO THIS
11 MEETING TODAY.

12 CHAIRMAN KLEIN: IT'S IMPORTANT FOR THE
13 PUBLIC TO KNOW THAT WHILE WE'RE TRYING TO REACH OUT TO
14 PEOPLE INTERESTED IN THE FACILITIES COMMITTEE, WE NEED
15 MORE NOMINATIONS AND PLEASE DISSEMINATE THAT
16 INFORMATION BECAUSE THE BROADER THE REACH, THE GREATER
17 THE REPRESENTATION, THE GREATER OPPORTUNITY TO HAVE THE
18 BEST --

19 DR. FRIEDMAN: MR. CHAIRMAN, IT'S NOT THAT WE
20 NEED THE NOMINATIONS. WE'VE GOTTEN QUITE A LARGE
21 NUMBER. IT IS IN THE INTEREST OF MAKING SURE THAT IF
22 THERE ARE ANY GOOD CANDIDATES, TO MAKE SURE THAT WE
23 HAVE THE VERY BEST CANDIDATES IDENTIFIED. WE'VE BEEN
24 VERY PLEASED WITH BOTH THE NUMBER AND QUALITY SO FAR.
25 I JUST WANT TO MAKE THIS FULLY OPEN.

1 CHAIRMAN KLEIN: OKAY. DR. POMEROY.

2 DR. POMEROY: QUESTION. WE HAVE HAD A LOT OF
3 GREAT CANDIDATES FOR THE FACILITIES. AS A MEMBER OF
4 THAT SEARCH COMMITTEE, WE ARE BEING ASKED A LOT ABOUT
5 CONFLICT OF INTEREST AND THOSE KIND OF ISSUES BY THESE
6 CANDIDATES. I WONDER WHEN WE'LL HAVE RECOMMENDATIONS
7 SO THAT WE CAN ANSWER THE QUESTIONS OF THE PEOPLE THAT
8 WE'RE INTERVIEWING ABOUT THESE POLICIES, YOU KNOW,
9 CONFLICT OF INTEREST, ETC. FROM THE FACILITIES WORKING
10 GROUP?

11 CHAIRMAN KLEIN: DR. HALL? HE WENT OUT FOR A
12 MOMENT. AS SOON AS HE RETURNS, WE CAN GET YOU THAT
13 INFORMATION. I'D ALSO CALL TO YOUR ATTENTION TO ITEM
14 13, CONSIDERATION OF CHARGING INSTITUTE STAFF WITH
15 DEVELOPING PROPOSALS FOR CIRM RESEARCH GRANTS PROGRAM,
16 BE REPORTED AT THE MAY 6TH MEETING. THAT IS DEALING
17 WITH THE ISSUE OF INFRASTRUCTURE OF STUDENT MONEY
18 GRANTS. AND THE STAFF COULD BRING THAT TO THE MAY 6TH
19 MEETING ACTUALLY WITHOUT AN ACTION. THEY COULD WORK ON
20 DEVELOPING THAT AND BRING IT BACK FOR ACTION AND
21 CONSIDERATION AT THAT TIME.

22 WE ARE GOING TO TAKE A BREAK AT THE MOMENT,
23 AND THEN WE'RE GOING TO COME BACK AND TRY TO FINISH UP,
24 BUT WE'RE GOING TO COME BACK VERY QUICKLY, AND WE'LL
25 TRY TO FINISH UP IN JUST A VERY FEW MINUTES. WE NEED

1 TO PROVIDE THE PUBLIC AN OPPORTUNITY FOR PUBLIC CLOSING
2 COMMENTS. AND THE DEPARTMENT OF GENERAL SERVICES IS
3 HERE. IT'S VERY IMPORTANT THAT THEY PROVIDE AN UPDATE
4 ON THE SITE SELECTION. WE DO NOT HAVE TO HAVE A QUORUM
5 FOR THAT. IT'S IMPORTANT FOR THE PUBLIC AND THE BOARD
6 MEMBERS TO HAVE DEPARTMENT OF GENERAL SERVICES COMMENT
7 ON THE SITE SELECTION PROCESS.

8 OKAY. THANK YOU. WE'LL BE BACK IN FIVE
9 MINUTES. THANK YOU.

10 (A BREAK WAS TAKEN.)

11 CHAIRMAN KLEIN: I TREMENDOUSLY APPRECIATE
12 THE ATTENTION OF THE PUBLIC AND THE BOARD THROUGH THIS
13 VERY SUBSTANTIVE MATERIAL.

14 FOR A REPORT ON THE SITE SELECTION PROCESS,
15 THE DEPARTMENT OF GENERAL SERVICES, WE SHOULD
16 COMMEND -- WE HAVE FOUR MEMBERS OF THAT DEPARTMENT
17 WORKING ON THIS PROCESS. WE HAVE REBECCA DONNACHIE IS
18 HERE TODAY TO REPORT ON THAT PROCESS. REBECCA, WOULD
19 YOU SUBMIT YOUR REPORT?

20 MS. DONNACHIE: YES. MY NAME IS REBECCA
21 DONNACHIE. I'M A STAFF REAL ESTATE OFFICER FOR THE
22 DEPARTMENT OF GENERAL SERVICES REAL ESTATE SERVICES
23 DIVISION. AND JUST PRIOR TO THE FEBRUARY 24TH MEETING,
24 THE MEMBERS OF THE SITE SELECTION COMMITTEE WERE
25 PROVIDED WITH A DRAFT COPY OF THE RFP FOR REVIEW IN

1 PREPARATION TO DISCUSS AT THAT MEETING.

2 AT THE FEBRUARY 24TH MEETING, THE SITE
3 SELECTION COMMITTEE MEMBERS AGREED TO REVISE SOME
4 BUSINESS POINTS OF THAT DRAFT DOCUMENT, EVENTUALLY
5 APPROVING THE CONTENT FOR THE RFP THAT WOULD BE
6 RELEASED ON FEBRUARY 28TH WITH A RESPONSE DATE OF MARCH
7 16TH.

8 THE EVALUATION TEAM WAS FORMED CONSISTING OF
9 SIX TEAM MEMBERS, THREE FROM DGS AND THREE FROM CIRM
10 INCLUDING MYSELF, EDDY CHU, STAFF SPACE PLANNER, SHERAL
11 GATES, ASSISTANT CHIEF OF PROFESSIONAL SERVICES BRANCH,
12 CIRM EMPLOYEES AMY DUROSS, CHRISTINA OLSSON, AND CIRM
13 INTERIM PERSONNEL LOANEE FROM THE STATE CONTROLLER'S
14 OFFICE, WALTER BARNES. NO OTHER CIRM EMPLOYEES,
15 INCLUDING THE CIRM CHAIRMAN AND VICE CHAIRMAN AND THE
16 PRESIDENT, WERE INVOLVED IN THE SITE MAKING PROCESS.

17 ON MARCH 16TH WE RECEIVED TEN BIDS IN
18 RESPONSE TO THE RFP. PRIOR TO THE BID OPENING, THE
19 EVALUATION TEAM DEVELOPED AN EVALUATION PLAN AND
20 SCORING DOCUMENT. THE SCORING DOCUMENT WAS PROVIDED TO
21 FOUR MEMBERS OF THE SITE SELECTION COMMITTEE, ONE IN
22 EACH REGION, TO MAKE SURE THERE WAS NO REGIONAL BIAS.
23 THERE WERE NO OBJECTIONS TO THE EVALUATION PLAN.

24 USING THE PLAN AND SCORING DOCUMENT, THE
25 EVALUATION TEAM REVIEWED THE TEN BIDS. EVALUATION OF

1 EACH BID HAS BEEN COMPLETED AND A RECOMMENDATION TO THE
2 SITE SELECTION COMMITTEE IS BEING PREPARED AND WILL BE
3 AVAILABLE BEFORE THE APRIL 13TH MEETING.

4 CHAIRMAN KLEIN: SO THE DEPARTMENT OF GENERAL
5 SERVICES, WE APPRECIATE TREMENDOUSLY YOUR LEADERSHIP IN
6 THIS PROCESS, AND I WOULD SPECIFICALLY POINT OUT THAT
7 THE DEPARTMENT OF GENERAL SERVICES INITIALLY THOUGHT
8 THAT THE PROCESS OF HAVING PROPOSALS WHERE YOU WOULD
9 HAVE OFFICES FOR A STATE AGENCY WITHOUT RENT WAS
10 IMPROBABLE; BUT ONCE THEY GOT THE SPIRIT, THEY WERE
11 GREAT PARTICIPANTS IN THIS. AND WE ARE TREMENDOUSLY
12 GRATEFUL TO THE LEADERSHIP OF THE GREAT CITIES OF
13 CALIFORNIA IN JOINING WITH THE SCIENCE AND MEDICAL
14 SECTORS IN THOSE MAJOR REGIONS IN PUTTING FORTH
15 TREMENDOUS PROPOSALS, INCLUDING THE ONES WITH TEN YEARS
16 OF FREE RENT AND OTHERS WITH LESS, BUT WITH
17 PHILANTHROPIC PROPOSALS OF CONTRIBUTIONS.

18 WHEN YOU SEE THE CITIES, SCIENCE, MEDICINE,
19 AND PHILANTHROPY JOINING TOGETHER, YOU ASK IS THIS THE
20 BEGINNING OF THE CALIFORNIA RENAISSANCE? BECAUSE
21 CERTAINLY IT IS A TREMENDOUS HARBINGER FOR FOCUSING THE
22 GOVERNMENTAL, PRIVATE, AND PUBLIC SECTOR RESOURCES AT
23 OUR GREAT RESEARCH INSTITUTIONS, OUR CITIES, AND OUR
24 DEDICATED PHILANTHROPISTS, THE MODERN MEDICIS, BEHIND
25 SCIENCE AND MEDICINE. AND IF THERE'S A PLACE FOR THE

1 RENAISSANCE IN SCIENCE AND MEDICINE, IT IS CERTAINLY
2 CALIFORNIA.

3 BUT IN THIS PROCESS, WE WILL BE HAVING A
4 SUBCOMMITTEE MEETING ON THE 13TH. THERE WILL BE
5 REPORTS MADE PUBLIC PRIOR TO THAT MEETING IN TERMS OF
6 EVALUATIONS. AND THAT SUBCOMMITTEE HAS IMPORTANT
7 DECISIONS TO BE MADE ON ADDITIONAL RATING OF CRITERIA
8 IN ADDITION TO THE FACT THAT THERE WILL BE SITE VISITS
9 THAT WILL GO INTO THE FINAL DECISION.

10 SO WE ARE TREMENDOUSLY, AGAIN, APPRECIATIVE.
11 YOU CAN SEE THAT IN SAN DIEGO, IN LOS ANGELES, THE BAY
12 AREA, AND SACRAMENTO, WHAT'S FORMING IN THESE
13 COALITIONS THAT HAVE BEEN BROUGHT TOGETHER FOR THE SITE
14 SELECTION ARE THE TYPES OF COALITIONS OF RESEARCH
15 INSTITUTIONS THAT CAN FORM THE FUTURE CENTERS OF
16 EXCELLENCE AND THAT CAN REALLY PROVIDE TREMENDOUS
17 THRUST FORWARD IN OUR RESEARCH IN THE COLLABORATION
18 BETWEEN INSTITUTIONS OF GREAT DISTINCTION WITH THE
19 BENEFIT OF THE CITIES' COOPERATION.

20 I WOULD POINT OUT THAT THE COOPERATION OF
21 THESE CITIES SHOULD BE TAKEN INTO ACCOUNT BY THIS
22 BOARD BECAUSE IF WE ARE TO BUILD OUT OUR FACILITIES IN
23 THREE YEARS TO PROVIDE INSULATION AGAINST FEDERAL
24 POLICY INTERVENTIONS IN THE RESEARCH WE'RE TRYING TO
25 ACCOMPLISH, THAT WE WILL NEED THESE CITIES TO

1 PRIORITIZE, MUCH AS THEY PRIORITIZE AFFORDABLE HOUSING,
2 FOR OUR FACILITIES DEVELOPMENT PROJECT. SO OUR
3 ENTITLEMENT PROCESS IS NINE MONTHS OR A YEAR, NOT THREE
4 YEARS. WE HAVE TO GET THESE FACILITIES PRIORITIZED,
5 AND THE COLLABORATION WE'VE SEEN OF THE CITIES IN THE
6 SITE SELECTION PROCESS IS A FAVORABLE HARBINGER FOR
7 COOPERATION IN PRIORITIZING OUR FACILITIES ON A SPECIAL
8 FAST TRACK, AND THAT WILL NEED TO BE TAKEN INTO
9 CONSIDERATION BECAUSE THE INITIATIVE CALLS FOR PRIORITY
10 FOR THOSE PROPOSALS THAT CAN MOVE FORWARD QUICKLY AND
11 ANSWER NEEDS OF OUR INSTITUTIONS FOR INSULATION
12 POLICIES AT THE FEDERAL LEVEL BEING CONSISTENT.

13 SO I THANK YOU VERY MUCH. DR. POMEROY.

14 DR. POMEROY: JUST A PRACTICAL QUESTION AS A
15 MEMBER OF THE SITE SELECTION COMMITTEE. WE WILL BE
16 DOING THE SITE VISITS VERY QUICKLY. I THINK WE'VE
17 GIVEN OURSELVES JUST A COUPLE OF WEEKS. AND WE'LL BE
18 GOING IN GROUPS OF TWO. WILL EACH SITE GET TWO SITE
19 VISITS WITH TWO PEOPLE OR ONE SITE VISIT?

20 CHAIRMAN KLEIN: DR. POMEROY, THE COUNSEL HAS
21 SUGGESTED TO ME THAT IN ORDER TO PROCEDURALLY MAKE SURE
22 WE'RE CONFORMING WITH EVEN TECHNICAL ASPECTS OF
23 BAGLEY-KEENE, THE INTENT, AND TO FACILITATE THE ABILITY
24 TO GETTING THESE SITE VISITS DONE, THAT THE CITIES TAKE
25 OVER THE RESPONSIBILITY OF COORDINATING WITH BOARD

1 MEMBERS, SO THEY CAN COORDINATE -- CITIES CAN DO THIS
2 INDIVIDUALLY WITH MEMBERS' SCHEDULES. THAT ALLOWS MORE
3 FLEXIBILITY FOR INDIVIDUAL MEMBERS. AND TO THE EXTENT
4 THAT WE AS A COMMITTEE DON'T CONTROL OR COORDINATE
5 THOSE SITE VISITS IS DEFINITELY A PREFERRED POSITION.
6 AND WE WILL DISCUSS THAT --

7 DR. POMEROY: I THINK I UNDERSTAND THAT
8 ANSWER. THANK YOU.

9 CHAIRMAN KLEIN: ARE THERE OTHER COMMENTS ON
10 THE SITE SELECTION PROCESS? ARE THERE COMMENTS OR
11 QUESTIONS OF THE DGS REPRESENTATIVE?

12 ARE THERE PUBLIC COMMENTS ON THIS ITEM?

13 MS. SIGNAIGO-COX: I'M JANE SIGNAIGO-COX.
14 I'M WITH THE SAN DIEGO REGIONAL DEC. AND WE SUBMITTED
15 A LIST OF QUESTIONS. WE UNDERSTAND THE PROCESS IS
16 GOING FAST AND JUST TO HELP THE CITIES. I KNOW IT'S
17 ONE OF MANY THAT ARE HOPING TO BE THE WINNER. WE ASKED
18 A COUPLE OF QUESTIONS JUST TO HELP US. WHEN YOU COME
19 TO OUR AREA, HOPEFULLY, WE CAN EFFECTIVELY ADDRESS WHAT
20 YOU NEED AND TO HAVE IT IDENTIFIED AND DONE. SO WE
21 WONDERED WHAT THE PROCESS WAS FOR RESPONDING TO THE
22 QUESTIONS. I THINK ALL OF YOU HAVE RECEIVED THIS
23 LETTER, BUT WE SUBMITTED ABOUT 10 OR 11 QUESTIONS ABOUT
24 THE PROCESS.

25 CHAIRMAN KLEIN: THEY WERE EXCELLENT

1 QUESTIONS AND THE PROCESS IS TWOFOLD. A, WE'VE ASKED
2 THAT YOU ACTUALLY RESPOND TO QUESTIONS THEY CAN RESPOND
3 TO. OTHER QUESTIONS HAVE TO BE RESPONDED TO BY THE
4 SITE COMMITTEE, AND THAT WILL BE ON THE 13TH BECAUSE NO
5 ONE OF US INDIVIDUALLY CAN RESPOND TO THOSE QUESTIONS.
6 IT'S REALLY THE SITE COMMITTEE'S RESPONSE THAT'S
7 IMPORTANT.

8 YES. ANOTHER QUESTION IN THE BACK.

9 UNIDENTIFIED SPEAKER: TWO QUESTIONS. WILL
10 YOU BE MAKING THESE QUESTIONS AND THE ANSWERS TO THOSE
11 QUESTIONS PUBLIC? AND WHEN? AND IF SO, FREEDOM OF
12 INFORMATION ACT QUESTION? THE OTHER QUESTION IS WILL
13 YOU -- ARE THERE -- DO YOU HAVE ANY SPECIFIC
14 REQUIREMENTS AND PREFERENTIAL COMMENTS? IS THERE A
15 LIST OF THESE CITIES ALREADY AVAILABLE? IS THERE ANY
16 INFORMATION ON THAT AVAILABLE?

17 CHAIRMAN KLEIN: WELL, LET ME ANSWER MULTIPLE
18 PARTS HERE TO YOUR QUESTION VERY QUICKLY.

19 ONE, QUESTIONS THAT ARE REFERRED TO BY THE
20 SAN DIEGO LETTER I THINK WE SHOULD PUT ON THE WEBSITE
21 WITH THE ANSWERS THAT DGS PROVIDES. AND WHERE THE
22 COMMITTEE PROVIDES ANSWERS, THOSE SHOULD ALSO GO ON THE
23 WEBSITE FOR EVERYONE'S BENEFIT.

24 THE SECOND PART OF YOUR QUESTION, REMIND ME.
25 IT'S BEEN A LONG DAY.

1 UNIDENTIFIED SPEAKERS: NOT A PROBLEM.

2 CHAIRMAN KLEIN: OH, YES, THE LIST OF -- WE,
3 FROM THE SITE COMMITTEE POSITION, WE HAVE REQUESTED DGS
4 TO MAKE ALL THE APPLICATIONS PUBLIC. WHAT DGS DID DO
5 IS RESPOND TO FREEDOM OF INFORMATION ACT REQUESTS.
6 THEY MADE THEM AVAILABLE TO A PARTICULAR NEWSPAPER AND
7 SAID THEY WOULD BE AVAILABLE TO ANYONE ELSE WHO
8 REQUESTED A COPY OF ALL OF THEM. WHILE THE COMMITTEE
9 WAS SUPPORTIVE, I THINK, ACROSS THE BOARD OF OPEN
10 ACCESS TO ALL OF THESE, DGS, YOU SHOULD KNOW, MAKES ALL
11 OF THEIR DECISIONS OF EVALUATIONS OF LEASES AND
12 FACILITIES IN THE STATE CONFIDENTIALLY. AND SO IN THIS
13 SITUATION WE WERE ADVOCATING FOR OPENNESS, AND DGS HAS
14 BEEN TRYING TO MODIFY THEIR NORMAL PROTOCOL TO ADAPT TO
15 OUR DESIRE FOR AS MUCH OPENNESS AS POSSIBLE. WE
16 GREATLY APPRECIATE THAT.

17 ADDITIONALLY, WE'VE ASKED CITIES TO
18 SPECIFICALLY MAKE THEIR APPLICATIONS AVAILABLE TO THE
19 PRESS AND THE PUBLIC. AND I BELIEVE A LARGE NUMBER OF
20 CITIES HAVE COOPERATED WITH THAT. THERE WILL BE AT THE
21 MEETING ON THE 13TH A FULL LIST OF ALL THE CITIES AND A
22 FULL STAFF REPORT.

23 UNIDENTIFIED SPEAKER: LET ME REPHRASE THE
24 QUESTION. THE QUESTION WAS ACTUALLY MORE IN TERMS OF
25 WHETHER THERE IS A HIT LIST, OR WERE THERE CERTAIN

1 PROPOSALS THAT WERE NOT CONSIDERABLE; IS THAT RIGHT?

2 CHAIRMAN KLEIN: THERE IS A SPECIFIC PROCESS
3 THAT WE'RE GOING THROUGH WITH DGS. MAYBE THERE WERE
4 ITEMS THAT ARE OUTSTANDING THAT WEREN'T CLEAR. DGS IS
5 WORKING WITH THOSE CITIES TO TRY AND GET A
6 CLARIFICATION. AT THIS POINT WE ARE NOT IN THE
7 POSITION TO KNOW THE FINAL ANSWER TO THAT. WE HOPE TO
8 BE VERY SOON. AS SOON AS WE ARE, WE EXPECT TO BE ABLE
9 TO RELEASE SOME ADDITIONAL INFORMATION.

10 ALL RIGHT. WE THANK YOU FOR THAT. I'D LIKE
11 TO GO TO THE PUBLIC DISCUSSION. I THINK, ZACH, THERE
12 WAS A QUESTION FOR DR. HALL WHEN HE WAS OUT; IS THAT
13 CORRECT? IS IT DR. POMEROY WHO HAD A QUESTION?

14 DR. POMEROY: OH, YES. IT'S BEEN A LONG DAY.
15 DID WE MENTION THAT?

16 AS A MEMBER OF THE FACILITIES SEARCH
17 COMMITTEE, WHEN I'M DOING THESE INTERVIEWS, I GET ASKED
18 A LOT ABOUT CONFLICT OF INTEREST FOR THE REAL ESTATE
19 SPECIALIST. I WONDERED WHEN YOU WOULD HAVE
20 RECOMMENDATIONS SIMILAR TO THOSE YOU JUST GAVE US FOR
21 THE OTHER WORK GROUP?

22 DR. HALL: LET ME SAY WE DON'T QUITE HAVE A
23 CLEAR GRASP ON HOW THE GRANTS COMMITTEE AND THE
24 FACILITIES COMMITTEE WILL WORK TOGETHER BECAUSE WE
25 CERTAINLY WILL NOT CONSIDER GRANTS WITHOUT THE SCIENCE.

1 IN MY MIND THAT'S THE FIRST ISSUE, TO TRY TO DEFINE THE
2 TASK OF THE COMMITTEE. THEN ONCE WE KNOW THAT, THEN WE
3 CAN SIT DOWN AND DESCRIBE IT, LIKE, CONFLICT OF
4 INTEREST STATEMENT, A LOT BETTER. BUT IT PROBABLY WILL
5 RESEMBLE MOST CLOSELY, SINCE IT WILL BE A GRANT
6 AWARDING WORKING GROUP -- NOT A GRANT AWARDING. PARDON
7 ME. ASSUMING IT WILL BE CONSIDERING APPLICATIONS FOR
8 GRANTS, THEN SOME OF THE SAME PRINCIPLES WOULD APPLY TO
9 THE GRANTS WORKING GROUP.

10 DR. POMEROY: I WOULD JUST COMMENT A LOT OF
11 THE SCIENTISTS ARE USED TO CONFLICT OF INTEREST
12 QUESTIONS WHEN THEY'RE REVIEWING GRANTS. FOR THE REAL
13 ESTATE SPECIALISTS, I THINK IT'S REALLY A NEW AREA FOR
14 SOME OF THEM TO TRY AND FIGURE OUT WHETHER THEY HAVE
15 CONFLICTS.

16 CHAIRMAN KLEIN: I WOULD CALL TO YOUR
17 ATTENTION THAT THE INITIATIVE DOES SPECIFY SOME
18 SPECIFIC GUIDANCE ON CONFLICTS FOR THE FACILITIES GROUP
19 THAT, PER SE, HAVE TO BE INCLUDED IN THE CONFLICTS
20 POLICY AND ARE INTENDED TO AVOID ANYONE SERVING ON THAT
21 COMMITTEE THAT HAS A COMMITMENT IN ANY WAY RELATED TO
22 THE FACILITIES. IT IS A DIRECT PROHIBITION OF HAVING
23 ANY FINANCIAL INTEREST INDIRECTLY IN THOSE FACILITIES.

24 I WOULD ALSO SAY, DR. HALL, WHILE YOU WERE
25 OUT FOR A MOMENT, IT WAS SUGGESTED THAT FOR THE MAY 6TH

1 MEETING THAT YOU BRING BACK YOUR RECOMMENDATION ON ANY
2 INFRASTRUCTURE SEED MONEY GRANTS ALONG WITH THE
3 TRAINING GRANTS. THERE WAS AN ITEM ON THE AGENDA THAT
4 WE DID NOT COVER, BUT WE WILL DEAL WITH IT ON MAY 6TH
5 IN TERMS OF YOUR GENERAL RECOMMENDATIONS. OKAY?

6 IN TERMS OF THE PUBLIC, ARE THERE GENERAL
7 COMMENTS OF THE PUBLIC SO THAT WE CAN CLOSE THIS
8 MEETING WITH A FINAL STATEMENT FROM THE PUBLIC?
9 YES.

10 MR. RUTEGER: THANK YOU. I'LL JUST CONCLUDE
11 QUICKLY. WE APPRECIATE THE COMPANIES THAT HAVE STEPPED
12 FORWARD IN SUPPORT OF HEALTHCARE FOR JANITORS.
13 UNFORTUNATELY THERE ARE MANY WHO HAVE FAILED TO MEET
14 THIS CHALLENGE. COMPANIES LIKE A LOT OF
15 PHARMACEUTICALS FROM SAN DIEGO EMPLOY JANITORIAL
16 CONTRACTORS THAT HAVE FAILED TO PROVIDE AFFORDABLE
17 ACCESS TO HEALTHCARE AND ATTEMPT TO THWART THEIR
18 EMPLOYEES' EFFORTS TO GAIN THESE BASIC BENEFITS.
19 INSTEAD OF ENSURING BASIC STANDARDS FOR THEIR JANITORS,
20 A LOT HAVE CHOSEN TO HIDE BEHIND THEIR SUBCONTRACTOR.

21 LOCAL 1877 FEELS THAT COMPANIES THAT FORCE
22 THEIR SUBCONTRACTORS TO SERVE AS WORKERS TO CHOOSE
23 BETWEEN PUTTING FOOD ON THE TABLE AND TAKING CHILDREN
24 TO THE DOCTOR SHOULD NOT RECEIVE ANY KIND OF PUBLIC
25 FUNDING. WE RESPECT AND SUPPORT THE WORK OF THIS BOARD

1 IN ADVANCING IMPORTANT HEALTHCARE RESEARCH. AND WE
2 APPRECIATE THE DOZENS OF BIOTECH AND PHARMACEUTICAL
3 COMPANIES THROUGHOUT THE STATE THAT HAVE SHOWN THAT
4 IT'S POSSIBLE TO DO CUTTING-EDGE RESEARCH, ALSO
5 SUPPORTING A BASIC STANDARD FOR SERVICE WORKERS.
6 WHEN COMPANIES FAIL TO BEHAVE AS RESPONSIBLE CORPORATE
7 CITIZENS, HOWEVER, THE TAXPAYERS SHOULD ALLOCATE OUR
8 FUNDING ELSEWHERE.

9 CHAIRMAN KLEIN: THANK YOU VERY MUCH. ANY
10 GENERAL COMMENTS? YES. SUSAN.

11 MS. FOGEL: I JUST HAVE A QUICK QUESTION.
12 SINCE WE ARE GOING TO BE TALKING ABOUT SEED GRANTS AND
13 TRAINING BUDGETS NEXT MONTH, IS THERE A TRAINING
14 BUDGET? IF NOT -- IT WAS RAISED A COUPLE OF MONTHS
15 AGO. YOU SAID YOU WERE GOING TO BE WORKING ON IT. I'M
16 WONDERING WILL THOSE FUNDING QUESTIONS BE ADDRESSED IN
17 THE OVERALL CONTEXT OF AN OPERATING BUDGET?

18 CHAIRMAN KLEIN: THE ANSWER IS YES. WE
19 SPECIFICALLY HAVE ASKED THAT THE INFORMATION ON THE
20 DIRECT OPERATION COME BACK AS WELL AS OTHER FUNDING
21 PLANS AND OPTIONS.

22 MS. FOGEL: WILL THAT BE DISCUSSED AT THE
23 SAME MEETING?

24 CHAIRMAN KLEIN: THAT IS THE INTENTION.

25 MS. FOGEL: OKAY. THANK YOU.

1 CHAIRMAN KLEIN: ANY FURTHER PUBLIC COMMENTS?

2 I WOULD REMIND THE PUBLIC THAT WE ARE
3 EMBARKED ON ADVANCING MEDICINE ALONG A NEW FRONTIER.
4 WE ARE BUILDING A STRUCTURE FROM SCRATCH. WE ARE
5 DEDICATED TO THAT EFFORT. AND AS YOU CAN SEE TODAY,
6 THERE'S VERY PUBLIC DISCUSSION WITH A FULL WEALTH OF
7 IDEAS ON THIS BOARD FOR WHICH I AM DEEPLY APPRECIATIVE,
8 BUT WE APPRECIATE THE PUBLIC'S PARTICIPATION. AND WE
9 WILL LOOK FOR WAYS FOR GREATER INVOLVEMENT WITH PUBLIC
10 MEMBERS.

11 AS WE MOVE FURTHER DOWNSTREAM, WE HOPE TO
12 HAVE PUBLIC MEETINGS THAT SUBCOMMITTEES CAN FOCUS IN
13 DEPTH ON ISSUES AND REPORT BACK TO THE BOARD WITH MUCH
14 MORE PUBLIC DISCUSSIONS IN DEPTH AS WE REFINE THE
15 STRUCTURAL ELEMENTS THAT WE ARE PUTTING IN PLACE TO GET
16 THESE INTERIM STANDARDS IN PLACE SO WE CAN ADVANCE THE
17 AGENDA OF THIS GREAT VENTURE. THANK YOU.

18 (THE MEETING WAS THEN ADJOURNED AT 5:10
19 P.M.)

20

21

22

23

24

25