

**BETH C. DRAIN, CA CSR NO. 7152**

BEFORE THE  
GOVERNANCE SUBCOMMITTEE OF 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: VIA ZOOM

DATE: JULY 11, 2022  
1 P.M.

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

FILE NO.: 2022-28

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JULY 11, 2022; 1 P.M.

CHAIRPERSON GASSON: THANKS, EVERYONE, FOR JOINING TODAY. I'D LIKE TO CALL THIS MEETING OF THE GOVERNANCE SUBCOMMITTEE TO ORDER. AND I'D LIKE TO ASK MARIA TO CALL THE ROLL PLEASE.

MS. BONNEVILLE: DAN BERNAL.

MR. BERNAL: PRESENT.

MS. BONNEVILLE: GEORGE BLUMENTHAL.

DR. BLUMENTHAL: HERE.

MS. BONNEVILLE: LINDA BOXER. ELENA FLOWERS. JUDY GASSON.

CHAIRPERSON GASSON: HERE.

MS. BONNEVILLE: STEVE JUELSGAARD.

MR. JUELSGAARD: PRESENT.

MS. BONNEVILLE: JAMES KOVACH.

DR. KOVACH: HERE.

MS. BONNEVILLE: LINDA MALKAS.

DR. MALKAS: HERE.

MS. BONNEVILLE: ADRIANA PADILLA. JONATHAN THOMAS.

CHAIRMAN THOMAS: HERE.

MS. BONNEVILLE: ART TORRES. KRISTINA VUORI.

DR. VUORI: HERE.

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1 MS. BONNEVILLE: WE HAVE A QUORUM.

2 CHAIRPERSON GASSON: THANK YOU, MARIA.

3 WE HAVE TWO ITEMS ON THE AGENDA TODAY.

4 THE FIRST IS CONSIDERATION OF REVISION TO CIRM  
5 COMPENSATION LEVELS. AND THIS PRESENTATION IS GOING  
6 TO BE GIVEN BY KEVIN MARKS AND TAMMI BUETTNER. SO,  
7 KEVIN.

8 DR. MARKS: THANKS, JUDY. DOUG, CAN YOU  
9 PUT UP THE PRESENTATION PLEASE.

10 AND FOR EVERYONE, I DO HAVE TO APOLOGIZE.  
11 I AM CURRENTLY ON VACATION, AND I FIND THAT INTERNET  
12 ACCESS IN VIRGINIA IN SOME SECTIONS IS KIND OF  
13 SKETCHY. SO I'M ATTENDING TODAY FROM A PUBLIC  
14 LIBRARY OUTSIDE OF LYNCHBURG, SO I MAY GO OFF CAMERA  
15 JUST SO I CAN MAINTAIN THE CONNECTION.

16 SO THANK YOU FOR SHOWING TODAY AND  
17 ATTENDING TODAY TO GO THROUGH OUR PRESENTATION ON  
18 OUR RECOMMENDATIONS RELATED TO THE POTENTIAL CHANGES  
19 TO THE STRUCTURES OR THE CIRM MINIMUMS AND MAXIMUMS  
20 RELATED TO THE COMPENSATION LEVELS FOR THE  
21 ORGANIZATION. NEXT SLIDE PLEASE.

22 AS EVERYONE KNOWS, WE ALWAYS START OFF  
23 WITH THE MISSION STATEMENT OF ACCELERATING  
24 WORLD-CLASS SCIENCE TO DELIVER TRANSFORMATIVE  
25 REGENERATIVE MEDICINE TREATMENTS IN AN EQUITABLE

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1 FASHION TO A DIVERSE CALIFORNIA AND THE WORLD.  
2 WHERE THIS FITS IN IS REALLY TALKING ABOUT THE  
3 RETENTION AND ATTRACTION OF TALENT INTO THE  
4 ORGANIZATION TO ENSURE THAT WE CAN LIVE AND DELIVER  
5 ON OUR MISSION. NEXT SLIDE.

6 SO THIS SCOPE OF THE HR PROJECT, AND I  
7 CALL IT THE HR PROJECT BECAUSE IT REALLY HAD TWO  
8 COMPONENTS. AS MANY OF YOU KNOW, LAST YEAR WE  
9 EMBARKED ON A SALARY SURVEY FOR THE ORGANIZATION BY  
10 EMPLOYING MERCER AS A THIRD-PARTY AGENT TO ACTUALLY  
11 REVIEW OUR COMPENSATION SYSTEM, THE MARKET DATA  
12 RELATED TO THE SETTING OF OUR COMPENSATION LEVELS,  
13 AS WELL AS OVERALL APPROPRIATENESS OF OUR  
14 COMPENSATION. THE BOARD HAD TASKED STAFF WITH JUST  
15 ENSURING THAT THE COMPENSATION LEVELS THAT WE HAD IN  
16 PLACE FOR THE ORGANIZATION STILL FIT WELL WITHIN THE  
17 MARKET AND WITHIN OUR STATUTORY COMPARATORS, WHICH  
18 WERE THE UC MEDICAL SCHOOLS, PRIVATE MEDICAL SCHOOLS  
19 IN THE STATE OF CALIFORNIA, AND PRIVATE AND  
20 NONPROFIT RESEARCH INSTITUTIONS WITHIN THE STATE OF  
21 CALIFORNIA.

22 SO ALONG WITH THIS, WE STARTED LOOKING AT  
23 ALSO THE FOUNDATIONAL PIECES OF HR. SO KNOWING THAT  
24 WE HAD TO EMBARK UPON THE NEXT TEN PLUS YEARS FOR  
25 THE AGENCY TO MOVE FORWARD, WE STARTED LOOKING AT

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1 VARIOUS ASPECTS INCLUDING CONSISTENT LEVELS ACROSS  
2 THE ORGANIZATION, CONSISTENT TITLING ACROSS THE  
3 ORGANIZATION, A SET OF STANDARD COMPETENCIES, AND  
4 EXPECTATIONS ACROSS THE ORGANIZATION, AND AS WELL AS  
5 ENSURING THAT POSITIONS THAT WE WERE ADDING HAD  
6 ADEQUATE JOB DESCRIPTIONS. NEXT SLIDE PLEASE.

7 SO IN LOOKING AT THE SCOPE OF THE  
8 COMPENSATION PROJECT IN PARTICULAR, ONE, WE WANTED  
9 TO DELIVER A DETAILED SUMMARY OF THE RELEVANT WORTH  
10 OF THE JOBS. DO THEY COMPARE TO WHAT'S OUT THERE IN  
11 THE MARKETPLACE? ARE WE OVERPAYING? ARE WE  
12 UNDERPAYING? WE NEEDED TO IDENTIFY AND COLLECT  
13 COMPARATIVE OR COMPETITIVE DATA SOURCES, AND THEN  
14 RECOMMEND A COMPENSATION STRUCTURE THAT WOULD  
15 REFLECT THE OVERLAY OF THE CURRENT HR STRATEGY AND  
16 LOOK AT OUR COMPENSATION PHILOSOPHY, OUR MISSION,  
17 OUR CULTURE, AND OUR BUSINESS MODEL. SO REALLY  
18 PULLING ALL THESE PARTS TOGETHER IS WHERE THE  
19 COMPENSATION PROJECT ENDED UP.

20 AND THEN WE WANTED A DOCUMENTED PROCESS  
21 THAT LOOKS FROM THE JOB ANALYSIS TO THE INTERNAL  
22 EVALUATION AND THEN THE ULTIMATE ASSIGNMENT OF  
23 GRADE, PAY GRADE, AND ROLE WITHIN THAT STRUCTURE.  
24 WHAT WE HAVE FOUND IS THAT WE HAVE MOVED AWAY FROM  
25 ANY SORT OF FORMULAIC WAY, AND WE WANTED A MORE

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1 DOCUMENTED, REGIMENTED WAY TO ENSURE CONSISTENCY  
2 ACROSS THE ORGANIZATION. NEXT SLIDE.

3 SO IN THE HR PROJECT, AGAIN, AS I TALKED  
4 ABOUT, WE WANTED TO ENSURE ALL POSITIONS HAD DUTY  
5 STATEMENTS AND/OR JOB DESCRIPTIONS. DUTY STATEMENTS  
6 ARE REALLY THE EQUIVALENT FOR WHAT WOULD NORMALLY BE  
7 KNOWN AS JOB DESCRIPTIONS. WE WANTED TO LEVEL  
8 ACROSS THE ORGANIZATION BECAUSE WHAT WE WERE  
9 SPOTTING IS THAT THEY WERE SIMILARLY TITLED  
10 POSITIONS ACROSS THE GROUP THAT WERE ASSIGNED  
11 VARIOUS LEVELS BASED PURELY ON COMPENSATION. WHAT  
12 WE WANTED LEVELING TO LOOK AT IS REALLY THE  
13 EXPECTATION OF COMPETENCIES, THE EXPECTATION ACROSS,  
14 THAT A DIRECTOR OF I.T. IS THE SAME AS THE DIRECTOR  
15 OF OR EXPECTATIONS OF A DIRECTOR IN COMMUNICATIONS,  
16 A DIRECTOR IN THE SCIENTIFIC PROGRAMS. AND A LOT OF  
17 THAT COMES WITH LEADERSHIP COMPETENCIES,  
18 EXPECTATIONS, AND DEVELOPING A CORE SET OF THOSE.

19 AND THEN WE NEEDED TO LOOK AT GOING BACK  
20 AT OUR PERFORMANCE EXPECTATIONS, OUR CAREER LADDERS  
21 AND DEVELOPMENT OPPORTUNITIES AND ASSESSING WHETHER  
22 WE THOUGHT THAT THEY WERE ADEQUATE. AS YOU KNOW,  
23 RETENTION IS A KEY ISSUE FOR US IN THE ORGANIZATION.  
24 SO WE WANT TO ENSURE THAT PEOPLE STAY WITH THE  
25 ORGANIZATION AND THEY CONSISTENTLY ARE CHALLENGED

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1 AND HAVE VARIOUS CAREER LADDERS THAT ARE IDENTIFIED  
2 FOR THEM AS WELL AS DEVELOPING AND SPECIFYING SORT  
3 OF KEY DEVELOPMENT OPPORTUNITIES FOR THEM. NEXT  
4 SLIDE.

5 SO AS A SUMMARY HERE, THE HR STAFF AND  
6 LEADERS, TOGETHER WITH TAMMI BUETTNER -- FOR THOSE  
7 OF YOU DON'T KNOW, TAMMI HAS BEEN WORKING WITH US  
8 FOR THE PAST SEVERAL MONTHS AS AN EXTERNAL HR  
9 CONSULTANT TO REALLY HELP US SYSTEMIZE WHAT WE ARE  
10 DOING HERE AS AN ORGANIZATION. SO WE WENT  
11 THROUGH -- AND I HAVE TO CONGRATULATE NOT ONLY THE  
12 HR STAFF, BUT ALL THE SENIOR LEADERS OF THE  
13 ORGANIZATION WHO REALLY WORKED HARD REVIEWING THE  
14 COMPETENCIES IN THEIR VARIOUS AREAS. AND WE'LL TALK  
15 ABOUT SOME OF THE CHANGES IN SOME OF OUR CORE  
16 PROGRAMS AS WELL, BUT THERE WAS A LOT OF DEDICATION  
17 AND TIME THAT WAS SPENT TO THIS WITH RESPECT TO  
18 SETTING THE EXPECTATION COMPETENCIES AND THEN BEING  
19 ABLE TO TAKE THAT DATA AND LOOK AT MORGAN HR, WHO WE  
20 HIRED AS OUR EXTERNAL CONSULTANTS ONCE MERCER WAS  
21 UNABLE TO COMPLETE THE COMPENSATION SURVEY, TO  
22 REALLY MAKE ANY CORRECTIONS THAT WE NEEDED TO DO.  
23 WE WANTED TO COMMIT TO ENSURE THAT EVERY POSITION  
24 HAD A CLEAR JOB DESCRIPTION. I TALKED ABOUT THAT  
25 BEFORE. WE DEVELOPED DETAILED COMPETENCIES FOR THE



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1 ASSOCIATE DIRECTOR LEVEL AND ABOVE IN THE  
2 ORGANIZATION.

3 WE ARE IN THE PROCESS OF DOING THAT AND  
4 BUILDING THOSE INTO EITHER CROSS-FUNCTIONAL CORE  
5 COMPETENCIES OR ENSURING THAT THOSE CORE  
6 COMPETENCIES THAT ARE DEVELOPED ARE IN EACH ONE OF  
7 THOSE JOB DESCRIPTIONS.

8 ONE OF THE MISALIGNMENTS THAT WE NOTICED  
9 IN THE ORGANIZATION IS THAT THE VP'S ACROSS THE  
10 ORGANIZATION WERE ASSIGNED TO DIFFERENT SALARY BANDS  
11 OR TWO DIFFERENT LEVELS, BOTH EIGHT AND NINE. AND  
12 AS WE LOOKED THROUGH AND GOT THE EXTERNAL ADVICE, IT  
13 DIDN'T SEEM TO MAKE SENSE BECAUSE, WHILE THE SALARY  
14 AND THE MARKET DATA FOR THOSE POSITIONS WOULD  
15 DIFFER, THE EXPECTATION AT A VP LEVEL ACROSS THE  
16 ORGANIZATION TO A LARGE EXTENT SHOULD BE THE SAME.  
17 THESE ARE KEY LEADERSHIP POSITIONS. SO WE DECIDED  
18 TO ASSIGN ALL OF THE VP'S IN THE LEVEL NINE.

19 YOU WILL NOTICE, AND I MIGHT AS WELL  
20 CONFRONT IT RIGHT HERE AT THE BEGINNING, THAT IN THE  
21 RECOMMENDED COMPENSATION LEVELS, BOTH LEVELS NINE  
22 AND TEN WERE NOT INCLUDED FOR TODAY'S CONVERSATION.  
23 AS WE WENT THROUGH THE DATA AND WE WANTED TO MAKE  
24 SURE THAT WE HAD APPROPRIATE MATCHES, WE STILL  
25 WEREN'T COMFORTABLE WITH SOME OF THE NUMBERS THAT WE

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1 WERE SEEING. SO WE WANTED TO CONTINUE TO PRESSURE  
2 TEST THIS. AT THE SAME TIME, WE DIDN'T WANT TO HOLD  
3 BACK THE REST OF THE ORGANIZATION BECAUSE WE WERE  
4 INCREDIBLY COMFORTABLE IN LEVELS ONE THROUGH EIGHT  
5 AND MAKING THE RECOMMENDATIONS LARGELY BECAUSE THEY  
6 DIDN'T VARY TOO SIGNIFICANTLY OR EVEN SIGNIFICANTLY  
7 AT ALL FROM OUR CURRENT COMPENSATION LEVELS.

8 SO IN CONVERSATIONS WITH J.T. AND JUDY AND  
9 KRISTINA, WE DECIDED WE WANTED TO DIVE A LITTLE BIT  
10 MORE DEEPLY INTO THOSE NUMBERS, PARTICULARLY AS IT  
11 INVOLVES THE SEARCH FOR THE CHAIR AND CO-CHAIR WHICH  
12 WOULD BE INCLUDED IN THOSE COMPENSATION LEVELS, TO  
13 ENSURE THAT WE WERE GOING TO RECOMMEND WHAT WE FELT  
14 WERE APPROPRIATE COMPENSATIONS FOR THOSE TWO LEVELS  
15 AND NOT HAVE TO RECOMMEND SOMETHING NOW AND THEN  
16 POTENTIALLY GO BACK AND REVISE IT ONCE WE GOT  
17 FURTHER INTO THOSE JOB SEARCHES. SO THAT  
18 INFORMATION WILL BE COMING, AND WE'RE GOING TO  
19 CONTINUE TO PARTNER, TAMMI AND I AS WELL AS THE HR  
20 STAFF, WITH MORGAN HR TO CONTINUE TO LOOK AT  
21 COMPARABLE POSITIONS AND MARK THAT DATA.

22 WE DID CREATE A BROADER SENIOR DIRECTOR  
23 LEVEL. WE ONLY HAD ONE SENIOR DIRECTOR IN THE  
24 ORGANIZATION WHEN WE STARTED, BUT WHAT WE WANTED TO  
25 LOOK AT IS A CAREER ADVANCEMENT STEP BETWEEN THE

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1 DIRECTOR LEVEL POSITION AND THE VP LEVEL POSITION.  
2 AGAIN, IT'S THIS WHOLE IDEA OF DEVELOPING CAREER  
3 LADDERS FOR THOSE WHO MAY NOT BE READY TO TAKE ON  
4 THE RESPONSIBILITIES OR THOSE DUTIES DON'T EXIST  
5 FROM A VP OPPORTUNITY, BUT WE WANTED TO SHOW A  
6 SIGNIFICANT DIFFERENCE IN EXPECTATIONS BETWEEN THE  
7 DIRECTOR AND SENIOR DIRECTOR LEVELS AND, AGAIN,  
8 BUILD THAT AS A CAREER LADDER FOR THE EVENTUAL STEP  
9 UP AS A DEVELOPMENT OPPORTUNITY.

10 AND LASTLY, AND I TALKED A LITTLE BIT  
11 BEFORE ABOUT CHANGES IN OUR CORE PROGRAMS, BECAUSE  
12 OF THE FLATNESS IN THE ORGANIZATION LARGELY IN OUR  
13 DIRECTOR LEVELS AND VP LEVELS HAVE A LEADERSHIP AND  
14 A PEOPLE LEADERSHIP COMPONENT, WE WANTED TO ENSURE  
15 THAT WE WERE STILL BEING ABLE TO ADVANCE PEOPLE FROM  
16 AN INDIVIDUAL SCIENTIFIC LEVEL ACROSS THE  
17 ORGANIZATION. SO WE PUT IN A FELLOWSHIP TRACK OF A  
18 RESEARCH FELLOW AND A SENIOR RESEARCH FELLOW, WHICH  
19 REALLY WOULD BE LOOKING AT IT FROM AN ASSOCIATE  
20 DIRECTOR AND A DIRECTOR LEVEL POSITION. SO WHILE  
21 THESE ARE THE POSITIONS WE WOULD DEPEND ON FOR THE  
22 IN-DEPTH SCIENTIFIC EXPERTISE WITHOUT NECESSARILY  
23 HAVING A PEOPLE LEADERSHIP COMPONENT; WHEREAS, THE  
24 DIRECTOR LEVEL POSITIONS IN THE CORE PROGRAMS WOULD  
25 HAVE A PEOPLE LEADERSHIP COMPONENT. NEXT SLIDE

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1 PLEASE .

2 SO, AGAIN, WE TALKED ABOUT RETAINING  
3 MORGAN HR TO ASSIST WITH THIS COMPENSATION REVIEW.  
4 THE COMPENSATION REVIEW LOOKED AT 60 POSITIONS, AND  
5 WE LOOKED AT ACTIVE AND VACANT POSITIONS AND ALL THE  
6 UNIQUE JOBS THAT HAD BEEN IDENTIFIED TO DATE. EACH  
7 ONE OF THESE WAS ALIGNED TO RADFORD'S GLOBAL GRADE  
8 HIERARCHY. AND FOR THOSE OF YOU, AND I ACTUALLY  
9 HAVE, AND I APOLOGIZE I DIDN'T MAKE IT AVAILABLE,  
10 WAS THE 2007 REVIEW. EACH ONE OF THE JOB TITLES HAS  
11 A PARTICULAR CODE. AND WHEN YOU LOOK AT EXTERNAL  
12 DATABASES RELATED TO COMPENSATION, THAT'S USUALLY  
13 LARGELY WHERE THE COMPARISON TAKES PLACE. AND THESE  
14 CODES ARE FOR FOR-PROFIT, THEY'RE FOR NONPROFIT,  
15 THEY'RE FOR ACADEMIC INSTITUTIONS. AND THAT'S WHERE  
16 EACH OF THE JOB TITLES WITHIN OUR ORGANIZATION WERE  
17 ASSIGNED THAT PARTICULAR NUMBER. AND THEN THEY WERE  
18 MATCHED TO BENCHMARK POSITIONS IN THE ERI  
19 COMPENSATION DATA.

20 AS I NOTED BEFORE, CIRM HAS AN OBLIGATION,  
21 A LEGAL OBLIGATION, TO MATCH ITS DATA AGAINST THE UC  
22 MEDICAL SCHOOLS AND INSTITUTIONS. SO OBVIOUSLY  
23 MORGAN REACHED OUT TO THOSE INSTITUTIONS TO TRY TO  
24 GET THE RELEVANT DATA. I HAVE TO ADMIT THAT WE WERE  
25 INCREDIBLY CHALLENGED. AS WE TALKED ABOUT BEFORE,

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1 WITH MERCER'S INABILITY TO GET THE CUSTOM DATA THAT  
2 WAS REQUESTED, MORGAN RAN INTO SOME OF THE SAME  
3 HEADACHES. IT DID REACH OUT TO SEVERAL  
4 INSTITUTIONS, AND EVERYTHING THAT WAS IDENTIFIED IN  
5 2007, THEY MADE OVERTURES TO ALL OF THOSE  
6 ORGANIZATIONS AS WELL AS EACH OF THE UC'S THAT WERE  
7 IDENTIFIED ALONG WITH THE UC MEDICAL SCHOOLS THAT  
8 HAD BEEN BROUGHT ONLINE SINCE THE LAST TIME WE DID  
9 THE COMPENSATION REVIEW. FORTUNATELY, LIKE I SAID,  
10 BECAUSE THEY WENT THAT EXTRA EFFORT OF MATCHING IT  
11 WITH THE ERI COMPENSATION DATA, THERE WERE SOME  
12 AGGREGATE BENCHMARKS THAT THEY CAN UTILIZE FOR THIS  
13 WHEN THE INSTITUTIONS DID COME BACK AND SAY THAT  
14 THEY WERE EITHER UNABLE OR UNWILLING TO SUPPLY THE  
15 INFORMATION. IN ADDITION, ALL OF THE UC  
16 COMPENSATION DATA IS PUBLICLY AVAILABLE. SO THEY  
17 SPENT A LABORIOUS EFFORT GOING THROUGH EACH AND  
18 EVERY ONE OF THOSE INSTITUTIONS TO TRY TO MATCH IT  
19 UP WITH THE POSITIONS IN OUR INSTITUTION TO BE ABLE  
20 TO MAKE THAT RECOMMENDATION.

21 SO IN IT'S FINAL DETERMINATION, IT  
22 CONCLUDED, MORGAN CONCLUDED AND WE AGREED, THAT A  
23 MAJORITY OF OUR SALARIES WERE ASSIGNED WITHIN THE  
24 RELEVANT MARKET SALARY RANGE BASED ON THE MATCHING  
25 AND THE ANALYSIS FROM THE JOBS. WHAT THEY DID IS

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1 THEY ALIGNED IT FROM A MINIMUM AND A MAXIMUM AT THE  
2 25TH PERCENTILE AND THE 75TH PERCENTILE. THOSE WERE  
3 THE RELEVANT PERCENTILES IN THE MARKET THAT THE  
4 BOARD HAD ORIGINALLY ADOPTED FOR THESE VARIOUS  
5 LEVELS. SO IT MADE SENSE TO STAY AND LOOK AT THOSE  
6 TO SEE IF WE WERE CONSISTENT WITH OUR CURRENT -- SEE  
7 IF THOSE NUMBERS WERE GOING TO BE CONSISTENT WITH  
8 OUR CURRENT COMPENSATION MIN AND MAXIMUM. NEXT  
9 SLIDE.

10 PLEASE AT ANY TIME IF THERE'S ANY  
11 QUESTIONS, PLEASE PUT YOUR HANDS UP AND I'LL ADDRESS  
12 IT AS WE GO THROUGH, OR I'M ALSO COMFORTABLE TO SAVE  
13 EVERYTHING UNTIL THE END.

14 SO AS A PART OF THE METHODOLOGY, AND I'LL  
15 GO THROUGH THIS QUICKLY, THEY LOOKED AT ALL THE JOB  
16 DESCRIPTIONS AND THE ANALYSIS OF THE JOBS. THEY  
17 USED THE ERI DATA AS WELL AS THE AVAILABLE DATA THAT  
18 THEY WERE ABLE TO GET THROUGH MINING THE UC  
19 DATABASES. THE DATA REFLECTS A GEOGRAPHIC LOCATION  
20 FOR OAKLAND, SO THERE'S GEOGRAPHIC DIFFERENTIATORS  
21 AS YOU GO THROUGH THE DATA. AS YOU KNOW, SAN  
22 FRANCISCO BAY AREA IS A MORE EXPENSIVE AREA IN WHICH  
23 TO LIVE. SO THERE WERE SOME ADJUSTMENTS MADE TO THE  
24 DATA ALONG WITH THAT, AND THEN THE FOUR DATA SOURCES  
25 THAT ARE IDENTIFIED BELOW. NEXT SLIDE PLEASE.

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1           SO, AGAIN, THE FINAL RECOMMENDATION WAS A  
2           STRUCTURE THAT REFLECTED OUR CURRENT HR STRATEGY IN  
3           OUR MISSION. THE RANGES MET WITH OUR GOAL OF  
4           ALIGNING WITH THE COMPARATOR DATA AND ENSURING  
5           EFFECTIVE TRANSPARENCY EMPLOYEES. WHAT WE ARE  
6           TRYING TO DO IN THIS PROCESS TOO IS NOT ONLY CREATE  
7           THE COMPENSATION LEVELS FOR EACH OF THE LEVELS AND  
8           THE MINIMUM AND MAXIMUM, THAT WE CREATED THESE FOR  
9           EACH POSITION WITHIN THE ORGANIZATION. SO WE WANTED  
10          VERY CLEAR AVENUES OF COMMUNICATION TO BE DEVELOPED  
11          WITH EMPLOYEES SO EMPLOYEES CAN SEE WHERE HE OR SHE  
12          ACTUALLY MET WITHIN THE MARKET DATA FOR THE  
13          INDIVIDUAL ROLES.

14                 WHAT WE DID IS THE INDIVIDUAL ROLES THAT  
15                 WERE INCLUDED WITHIN A PARTICULAR BIN, WE ACTUALLY  
16                 TOOK THE MIN OF THE MIN AND THE MAX OF THE MAX, AND  
17                 THAT'S WHAT REFLECTS THE NUMBERS THAT YOU SEE AND  
18                 THE COMPARISON WHEN YOU'RE LOOKING AT THE  
19                 RECOMMENDED COMPENSATION FOR ALL OF THE LEVELS.

20                 NOW, WE ARE NOT RELYING ON MORGAN ALONE  
21                 FOR THIS. SO THEY BROUGHT BACK THIS INFORMATION.  
22                 IN WORKING WITH TAMMI, THEN INCLUDING ME AND THEN  
23                 MARIA MILLAN IN THE DISCUSSION, SO WE LOOKED AT THE  
24                 HIERARCHIES IN BOTH THE SCIENCE AND NONSCIENTIFIC  
25                 RELEVANT JOBS OF ALL THE JOBS, WE ALIGNED IT, CAME

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1 UP WITH THESE RECOMMENDATIONS WHICH WERE REVIEWED BY  
2 MYSELF AND FINALLY APPROVED BY MARIA. NEXT SLIDE  
3 PLEASE.

4 SO THE NEXT STEP AS WE GO THROUGH, NOT  
5 SOMETHING THE BOARD HAS TO LOOK AT AT THIS POINT,  
6 WHAT WE ARE DOING INTERNALLY IS, ONCE WE IMPLEMENT  
7 THE TITLE CHANGES AND THE GRADES, WE'RE GOING MAKE  
8 SURE THAT, AGAIN, EACH ONE OF OUR DESCRIPTIONS  
9 ADEQUATELY DESCRIBES THE JOB THAT'S SUPPOSED TO BE  
10 DONE. WE WILL ANNUALLY REVIEW ALL OF OUR JOB GRADES  
11 AND MARKET VALUES TO MAKE SURE THAT WE CONTINUE TO  
12 PAY CONSISTENTLY WITH THE MARKET OR AS THE BOARD  
13 DICTATES. IN THE ANNUAL ASSESSMENT AND GROWTH IN  
14 THE MARKET, WE JUST MAKE SURE THAT WE STAY  
15 CONSISTENT AND NOT WAIT ANOTHER 15 YEARS BEFORE WE  
16 DO A COMPETITIVE MARKET SURVEY. AND WE WILL  
17 CONTINUE TO UTILIZE THIS COMPENSATION IN LOOKING AT  
18 OUR PAY EQUITY ACROSS THE ORGANIZATION AND DO THAT  
19 MORE FREQUENTLY. SO NOT ONLY LOOKING AT SITUATIONS  
20 WHERE WE ARE BRINGING IN NEW PEOPLE ACROSS, OF  
21 COURSE, WE WILL USE IT THERE, BUT WE ARE NOW GOING  
22 TO SPEND A LITTLE BIT MORE TIME RELATIVE TO  
23 CONSISTENT POSITIONS AND CONSISTENT TITLING SO THAT  
24 WE MAKE SURE THAT WE DON'T HAVE PAY GAPS, AND WHERE  
25 WE DO HAVE THEM, THAT THEY'RE REDUCED EFFECTIVELY



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1 BECAUSE WE DON'T WANT ANY DISPARATE IMPACT ON  
2 EMPLOYEES AS A RESULT OF ANY PAY INEQUITIES.

3 SO WITH THAT, THAT CONCLUDES THIS  
4 PRESENTATION. IF THERE'S ANY QUESTIONS, PLEASE FEEL  
5 FREE TO RAISE THEM. OTHERWISE, WE CAN MOVE TO A  
6 REVIEW OF THE VARIOUS CHANGES IN THE CIRM  
7 COMPENSATION LEVELS AND THE RECOMMENDED NUMBERS.

8 DOUG, IS THERE ANY WAY YOU CAN MAKE THAT A  
9 LITTLE BIGGER? IT'S GOING TO BE TOUGH TO GET IT ON  
10 THE SAME SCREEN.

11 SO WHAT YOU SEE ON THE LEFT SIDE HERE IS  
12 OUR CURRENT COMPENSATION LEVELING, AND THAT'S  
13 PUBLISHED ON OUR WEBSITE AND IT'S PUBLICLY  
14 AVAILABLE. WHAT YOU SEE ON THE RIGHT SIDE IS THE  
15 SHIFT. SO YOU'LL SEE, FOR EXAMPLE, THE COLLAPSING  
16 OF WHAT WAS OR WHAT IS EXISTING LEVEL EIGHT AND NINE  
17 FROM A VP LEVELING POSITION, WE COLLAPSED THAT THEN  
18 INTO A LEVEL NINE POSITION. WE LUMPED OR WE  
19 GROUPED, I SHOULDN'T SAY LUMPED, NOT AN APPROPRIATE  
20 TERM, WE GROUPED ALL OF OUR SENIOR DIRECTORS  
21 TOGETHER IN LEVEL EIGHT. AND THEN YOU CAN SEE THE  
22 RELATIVE ADJUSTMENTS THAT WE'VE MADE TO THE VARIOUS  
23 LEVELS AND THE RECOMMENDATION THAT WE BROUGHT  
24 FORWARD. IN SOME YOU SEE THE RECOMMENDATIONS GO  
25 DOWN A BIT; FOR EXAMPLE, IN LEVEL SEVEN. AND AGAIN,

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1 THIS IS PURELY REFLECTING MARKET DATA. IN LEVEL SIX  
2 YOU SEE IT GETS ADJUSTED UPWARDS. AND THEN AS WELL  
3 AS LEVEL FIVE AND THEN OTHER LEVELS AS IT ADVANCES  
4 AND WE TAKE IT FORWARD. REST ASSURED THAT AS A  
5 RESULT OF THIS NO EMPLOYEE WILL SUFFER A DECREASE IN  
6 SALARY. AS I TALKED ABOUT BEFORE, A MAJORITY OF  
7 EMPLOYEES STILL, EVEN WITH THE NEW MARKET DATA, REST  
8 WITHIN THE INDIVIDUAL MARKET DATA FOR THEIR  
9 POSITIONS. SO WE ARE COMFORTABLE THAT THESE RANGES  
10 ADEQUATELY REFLECT THE MARKET AS WELL AS OR SHOW  
11 THAT OUR CURRENT COMPENSATION STRATEGY IS WORKING  
12 AND WHAT THE BOARD ADOPTED PREVIOUSLY WHICH WAS PAY  
13 CONSISTENT TO MARKET AND ENSURE PEOPLE ARE PAID  
14 APPROPRIATELY.

15 SO, AGAIN, WE ARE COMFORTABLE WITH THESE  
16 RECOMMENDATIONS. THE IDEA TOO IS THAT WE WANT TO  
17 AGE THESE RECOMMENDATIONS FOR THE NEXT AT LEAST TWO  
18 YEARS SO WE ARE NOT IN A CONSISTENT BASIS AS HAS  
19 BEEN DONE IN THE PAST WHERE WE ARE CONSISTENTLY  
20 REVISING. IT WAS A PRACTICE, AND, MARIA BONNEVILLE,  
21 YOU CAN CORRECT ME IF I'M WRONG, THAT WE DID VARY  
22 OUR LEVELS DEPENDING ON THE INDIVIDUALS. AND IF WE  
23 MOVED A PARTICULAR INDIVIDUAL, ALTHOUGH THE JOB  
24 EXISTED IN A LEVEL, WE WOULD ADJUST THOSE  
25 COMPENSATION LEVELS. WE WANT TO GET AWAY FROM THAT.

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1 WE WANT TO GET AWAY FROM THESE ARE THE LEVELS OF THE  
2 POSITION AND THIS IS WHAT THE POSITION PAID, NOT  
3 THAT IT'S INDIVIDUALLY DEPENDENT. SO THIS IS WHAT  
4 WE FEEL THAT THESE NUMBERS ADEQUATELY REFLECT.

5 SO THE OTHER DOCUMENT WE HAD THAT I DON'T  
6 KNOW THAT WE NEED TO LOOK AT WAS JUST BACKUP  
7 INFORMATION, WHICH ACTUALLY SHOWED THE INDIVIDUAL  
8 MARKET DATA THAT WENT INTO THE DEVELOPMENT OF THE  
9 COMPENSATION RECOMMENDATIONS FOR EACH OF THE LEVELS.  
10 AND YOU CAN SEE, IF YOU LOOK AT THE 25TH PERCENTILE  
11 FOR THOSE POSITIONS AND THE 75TH PERCENTILE, THE MIN  
12 OF THE MIN AND THE MAX OF THE MAX IS WHAT SETS THE  
13 COMPENSATION RECOMMENDATIONS FOR EACH OF THESE  
14 LEVELS.

15 AND WITH THAT, MADAM CO-CHAIRS, I HAVE  
16 NOTHING FURTHER.

17 CHAIRPERSON GASSON: THANK YOU TO TAMMI  
18 AND KEVIN FOR THIS VERY COMPREHENSIVE, YEAR-LONG  
19 EFFORT TO MAKE THESE POSITIONS -- I'M SORRY, GEORGE,  
20 YOU HAVE YOUR HAND UP. PLEASE.

21 DR. BLUMENTHAL: TWO QUICK QUESTIONS,  
22 KEVIN. THANK YOU. I THINK THIS IS A REALLY  
23 IMPORTANT STUDY, AND I THINK IT'S IMPORTANT FOR OUR  
24 FUTURE.

25 ONE QUESTION IS JUST TO MAKE SURE THAT I

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1 UNDERSTOOD WHAT YOU SAID. SO I MAY BE JUST  
2 REPEATING THIS BACK TO YOU. THE UPPER AND LOWER  
3 LEVELS WERE SET UP AT 25 AND 75 PERCENT LEVELS OF  
4 THE COMPARISON DATA. SO THEY'RE REGARDED AS OUR  
5 UPPER AND LOWER EVEN THOUGH THEY'RE 25/75 IN TERMS  
6 OF THE GLOBAL DATA WITHIN CALIFORNIA; IS THAT  
7 CORRECT?

8 DR. MARKS: CORRECT. CORRECT. THE BOARD  
9 HAD ESTABLISHED A COMPENSATION PHILOSOPHY MANY YEARS  
10 AGO WHERE THOSE WERE THE TWO SORT OF EARMARKS ON THE  
11 MIN AND THE MAX WOULD BE AT THE 25TH AND 75TH  
12 PERCENTILE OF THE MARKETPLACE. AND THE BOARD ALWAYS  
13 HAS THE OPPORTUNITY TO CHANGE THAT; BUT, AGAIN, OUR  
14 RECOMMENDATION IS, BECAUSE IT SEEMED VERY CONSISTENT  
15 WITH OUR CURRENT COMPENSATION LEVELS AND VALIDATED  
16 THE BOARD'S PHILOSOPHY OF HOW TO CREATE OUR  
17 COMPENSATION STRATEGY, IT SEEMED THE RIGHT LEVELING  
18 AND WHERE TO PLACE THOSE MIN AND MAX LEVELS.

19 DR. BLUMENTHAL: SO MY OTHER -- THANK YOU,  
20 KEVIN. THAT'S GREAT.

21 MY OTHER QUESTION CONCERNED PRIVATE  
22 INSTITUTIONS IN CALIFORNIA AND THEIR SALARY DATA  
23 WHICH ARE NOT SO EASILY AVAILABLE AS IS UC'S. I  
24 DIDN'T QUITE UNDERSTAND HOW YOU MANAGED TO INCLUDE  
25 THOSE DATA WHEN THEY'RE NOT MADE AVAILABLE BY THE

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1 INSTITUTION. COULD YOU JUST SAY A LITTLE BIT MORE  
2 ABOUT THAT?

3 DR. MARKS: SURE. THIS IS PART OF THE  
4 DATABASES THAT MORGAN WAS ACTUALLY ABLE TO TAP INTO  
5 WHERE A LOT OF THAT DATA IS AGGREGATED. SO EVEN  
6 THOUGH THESE INSTITUTIONS WERE NOT PARTICIPATING  
7 WITH US IN OUR CUSTOM SURVEY, THEY GENERALLY  
8 PARTICIPATE IN THE BROADER SURVEYS THAT WOULD FEED  
9 THE ERI DATA OR RADFORD'S GLOBAL INDEX. SO WHILE WE  
10 WEREN'T GETTING THEM INDIVIDUALLY, WE WERE  
11 COMFORTABLE WE WERE GETTING IN THE AGGREGATE BECAUSE  
12 THE CODING SITUATION THAT WE WERE USING FOR OUR  
13 POSITIONS WAS VERY SIMILAR TO THE CODING FOR THOSE  
14 POSITIONS AS WELL.

15 DR. BLUMENTHAL: THANK YOU.

16 DR. MARKS: YOU'RE WELCOME.

17 CHAIRPERSON GASSON: OTHER QUESTIONS OR  
18 COMMENTS FROM MEMBERS OF THE SUBCOMMITTEE? STEVE.

19 MR. JUELSGAARD: YES, KEVIN. SO I KNOW  
20 YOU MENTIONED THIS EARLIER ON IN THE PRESENTATION.  
21 BY THE WAY, EXCELLENT PRESENTATION.

22 DR. MARKS: THANK YOU.

23 MR. JUELSGAARD: GREAT JOB. WHAT ARE WE  
24 GOING TO DO ABOUT THE LEVEL NINE, THE MINIMUM AND  
25 MAXIMUM? WHAT'S HAPPENING IN THAT BOX?

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1 DR. MARKS: SO FOR NOW WE ARE STAYING PAT  
2 WITH THE MINIMUM AND MAXIMUM THAT WE HAVE CURRENT.  
3 WE ARE GOING BACK AND TAMMI AND I WILL WORK HARDER  
4 WITH MORGAN TO ACTUALLY DRILL DOWN AND LOOK INTO  
5 THOSE COMPARABLE POSITIONS. AS YOU CAN IMAGINE,  
6 STEVE, WHEN YOU -- SO THE TITLING OF OUR ROLES,  
7 THEY'RE VERY DIFFERENT THAN WHAT YOU WOULD FIND  
8 WITHIN THE UC SYSTEM AND IN OTHER INSTITUTIONS. SO  
9 WE WANT TO MAKE SURE THAT WE ARE COMPARING APPLES TO  
10 APPLES. SO WE'RE GOING TO DIVE DEEPER INTO MAKING  
11 SURE THAT DESCRIPTIONS FOR OUR POSITIONS ADEQUATELY  
12 MATCH, MAKE SURE THE CODING THAT WE ARE USING IS  
13 APPROPRIATE. SO WHEN WE GO BACK TO THE WELL, WE ARE  
14 PULLING MORE -- AND NOT THAT WE DON'T FEEL THAT THE  
15 DATA THAT WE'VE DEVELOPED NOW IS RELEVANT, TO A  
16 LARGER EXTENT WE ARE INCREDIBLY COMFORTABLE WITH IT.  
17 WE JUST WANT TO MAKE SURE, BEFORE WE COME TO THE  
18 BOARD, AS WELL AS LOOKING AT WHAT WE NEED TO DO NOW,  
19 THAT THE BOARD HAS ADOPTED SORT OF THE STANDARD JOB  
20 DESCRIPTIONS FOR THE CHAIR AND VICE CHAIR. WE WANT  
21 TO GO AND LOOK AT THOSE POSITIONS AS WELL, PUT THEM  
22 IN THE HOPPER, AND THEN COME OUT WITH LEVEL  
23 RECOMMENDATIONS FOR THOSE TWO LEVELS THAT WILL  
24 REFLECT ALL OF THOSE POSITIONS.

25 MR. JUELSGAARD: GREAT. THANK YOU.

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1                   CHAIRPERSON GASSON:   J.T.

2                   CHAIRMAN THOMAS:   KEVIN, THANK YOU TO YOU  
3                   AND TAMMI.   I ECHO WHAT EVERYBODY PREVIOUSLY HAS  
4                   SAID FOR A COMPREHENSIVE PRESENTATION.   COUPLE  
5                   QUESTIONS.

6                   ONE, WITH THE REVISED RANGES, AND PERHAPS  
7                   THIS CAN'T REALLY BE FULLY ADDRESSED TILL WE GET  
8                   NINE AND TEN TAKEN CARE OF WHEN YOU GET THAT DATA AS  
9                   WELL, HOW WILL THESE CHANGE OF RANGES POTENTIALLY  
10                  MESH WITH THE ADMINISTRATIVE BUDGET THAT WAS PASSED  
11                  IN JUNE?

12                  DR. MARKS:   SO ALL OF THE POSITION SALARY  
13                  INCREASES THAT WE ARE LOOKING AT ACROSS THE  
14                  ORGANIZATION THAT TYPICALLY TAKE EFFECT ON JULY 1ST,  
15                  SO WE ARE A LITTLE BIT BEHIND BECAUSE OF DATA, BUT  
16                  WE'RE GOING TO ENSURE THAT EVERYONE IS TREATED  
17                  FAIRLY IN THAT REVIEW, HAVE ALL BEEN ACCOUNTED FOR  
18                  IN THE BUDGET RECOMMENDATIONS THAT WERE ADOPTED BY  
19                  THE BOARD IN JUNE.   SO WE DON'T EXPECT ANY CHANGE TO  
20                  THE NUMBERS THAT THE BOARD HAD MET.   WE HAD DRAFT  
21                  RANGES AS WE WERE DEVELOPING THE BUDGETS, SO WE MADE  
22                  SURE THAT THEY INCLUDED OR THEY WERE INCLUDED IN  
23                  THOSE EXPECTATIONS.

24                  MARIA, IF YOU WANT TO ADD ANYTHING TO  
25                  THAT.

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1 DR. MILLAN: NO. I THINK THAT THAT'S  
2 CORRECT. WE ACTUALLY HAD A DRAFT OF THIS, WHICH  
3 ISN'T VERY FAR FROM WHAT YOU'RE SEEING TODAY. AND  
4 SO ALL OF THE PROPOSED INCREASES WERE WITHIN RANGE  
5 AND WOULD BE ACCOMMODATED BY THIS PROPOSED NEW  
6 LEVEL.

7 CHAIRMAN THOMAS: THANK YOU. ANOTHER  
8 QUESTION. DID WE GET ANY INFORMATION FROM OUR  
9 COMPARATORS ON WHAT THEY DO ABOUT COLA OR MERIT  
10 INCREASES?

11 DR. MARKS: NO. NO, WE HAVEN'T. I THINK  
12 IN THE PAST HISTORY, AND AGAIN, MARIA BONNEVILLE,  
13 CORRECT ME, WE HAVE A FEW TIMES LOOKED AT COLA'S  
14 ACROSS THE ORGANIZATION, BUT WHAT WE ARE FINDING,  
15 AND WE DON'T HAVE ANY RECOMMENDATION HERE FOR IT, IS  
16 BECAUSE WE SEEM TO BE PAYING CONSISTENT TO THE  
17 MARKET. SO IF WE FELT WE WERE OUT OF LINE OR THERE  
18 WAS SOME DRASTIC INCREASE IN WHAT WAS HAPPENING IN  
19 THE CURRENT ENVIRONMENT THAT WOULD JUSTIFY THAT, WE  
20 COULD ALWAYS REVIEW AND LOOK AT THAT. BUT AT THIS  
21 POINT THAT'S NOT A PART OF THE RECOMMENDATION, BUT  
22 IT'S ALWAYS AN OPTION FOR US.

23 CHAIRMAN THOMAS: THANK YOU.

24 CHAIRPERSON GASSON: OTHER QUESTIONS OR  
25 COMMENTS FROM THE MEMBERS OF THE SUBCOMMITTEE? I AM



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1 NOT SEEING ANY HANDS, AND SO I WAS WONDERING IF WE  
2 COULD HAVE A MOTION TO APPROVE THE RECOMMENDATION  
3 THAT KEVIN AND TAMMI HAVE JUST PRESENTED TO US.

4 DR. BLUMENTHAL: SO MOVED.

5 CHAIRPERSON GASSON: THANK YOU, GEORGE.

6 MR. JUELSGAARD: SECOND.

7 CHAIRPERSON GASSON: THANK YOU, STEVE, FOR  
8 THE SECOND.

9 AGAIN, ANY QUESTIONS OR COMMENTS FROM THE  
10 MEMBERS OF THE SUBCOMMITTEE? MARIA, DO YOU HAVE ANY  
11 HANDS RAISED? IS THERE ANYTHING I'M NOT SEEING?

12 MS. BONNEVILLE: NO.

13 CHAIRPERSON GASSON: IN THAT CASE, WOULD  
14 YOU PLEASE CALL THE ROLL.

15 MS. BONNEVILLE: JUST FOR THE RECORD,  
16 THERE IS NO PUBLIC COMMENT EITHER.

17 DAN BERNAL.

18 MR. BERNAL: AYE.

19 MS. BONNEVILLE: GEORGE BLUMENTHAL.

20 DR. BLUMENTHAL: YES.

21 MS. BONNEVILLE: JUDY GASSON.

22 CHAIRPERSON GASSON: YES.

23 MS. BONNEVILLE: STEVE JUELSGAARD.

24 MR. JUELSGAARD: YES.

25 MS. BONNEVILLE: JAMES KOVACH.

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DR. KOVACH: YES.  
MS. BONNEVILLE: LINDA MALKAS.  
DR. MALKAS: YES.  
MS. BONNEVILLE: JONATHAN THOMAS.  
CHAIRMAN THOMAS: YES.  
MS. BONNEVILLE: KRISTINA VUORI.  
DR. VUORI: YES.  
MS. BONNEVILLE: THE MOTION CARRIES.  
CHAIRPERSON GASSON: GREAT. THANK YOU  
VERY MUCH.

THE SECOND ITEM ON OUR AGENDA TODAY IS  
REALLY JUST AN UPDATE ON WHERE WE ARE IN THE SEARCH  
FOR THE NEXT CHAIR AND THE NEXT VICE CHAIR. AND  
MARIA HAS PREPARED A TIMELINE FOR US TO LOOK AT.

SO AS YOU CAN SEE, IT'S BEEN FAIRLY BUSY  
IN THE SPRING. WE CONDUCTED THE BOARD SURVEY TO GET  
INPUT WITH RESPECT TO CRITERIA FOR THE CHAIR AND THE  
VICE CHAIR AS WELL AS THE SCOPE OF THE POSITION. IN  
APRIL AND MAY THE GOVERNANCE SUBCOMMITTEE CONSIDERED  
THAT INFORMATION, AND WE PREPARED RECOMMENDATIONS  
FOR THE BOARD MEETING REGARDING THOSE CRITERIA AND  
THE SCOPE AND THE PERCENT EFFORT. THE BOARD  
CONSIDERED THE GOVERNANCE SUBCOMMITTEE'S  
RECOMMENDATIONS, AND IT WAS DETERMINED TO GO FORWARD  
WITH RESPECT TO THOSE CRITERIA.

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1 SO NOW WE FIND OURSELVES IN JULY, AND WE  
2 ARE IN A POSITION AT THIS POINT TO REQUEST THAT THE  
3 CONSTITUTIONAL OFFICERS NOMINATE CANDIDATES FOR THE  
4 CHAIR AND THE VICE CHAIR NO LATER THAN SEPTEMBER 1ST  
5 BASED UPON THE CRITERIA, THE SCOPE, THE PERCENT  
6 EFFORT THAT CAME FROM THE BOARD TO THE GOVERNANCE  
7 SUBCOMMITTEE AND THEN APPROVED FINALLY BY THE FULL  
8 BOARD. OF COURSE, THEY'RE NOT REQUIRED TO MEET THIS  
9 SEPTEMBER DEADLINE, BUT WE WANT TO, IF POSSIBLE,  
10 STAY ON TRACK SO THAT WE CAN INSTALL NEW LEADERSHIP  
11 BY JANUARY.

12 SO WE WILL REQUEST THAT THEY PROVIDE  
13 BACKGROUND INFORMATION REGARDING THESE NOMINEES, A  
14 BRIEF PERSONAL STATEMENT FROM THE NOMINEE EXPLAINING  
15 THE QUALIFICATIONS FOR AND THE INTEREST IN THE  
16 OFFICE, AND THESE WILL BE PROVIDED TO THE BOARD AND  
17 MADE AVAILABLE TO THE PUBLIC. WE EXPECT THAT LETTER  
18 TO BE SENT TO THE CONSTITUTIONAL OFFICERS IN THE  
19 WEEK OF JULY 18TH.

20 IN SEPTEMBER, IF WE HAVE NOMINEES FROM THE  
21 CONSTITUTIONAL OFFICERS, WE WILL VET THOSE NOMINEES  
22 AND REQUEST ANY ADDITIONAL SUPPORTING INFORMATION  
23 THAT WE MIGHT NEED AND CONDUCT SOME INITIAL  
24 INTERVIEWS. IN THE SEPTEMBER/OCTOBER TIME FRAME, WE  
25 ANTICIPATE THAT THE BOARD WILL MEET TO CONSIDER THE

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1 NOMINEES FOR CHAIR AND VICE CHAIR INCLUDING PUBLIC  
2 PRESENTATIONS BY THE CANDIDATES, CLOSED SESSION  
3 INTERVIEWS, AND A PUBLIC VOTE. AND IN JANUARY,  
4 ASSUMING THAT THE BOARD HAS ELECTED A NEW CHAIR AND  
5 A NEW VICE CHAIR IN DECEMBER, THE INDIVIDUALS WILL  
6 TAKE THEIR OATH AT THE BOARD'S FIRST MEETING IN  
7 JANUARY 2023, PERMITTING AN ORDERLY TRANSITION OF  
8 POWER FROM THE OUTGOING CHAIR AND VICE CHAIR TO THE  
9 NEW OFFICERS.

10 SO THAT'S A SUMMARY OF WHERE WE ARE IN  
11 THIS PROCESS. ARE THERE ANY QUESTIONS OR -- THIS IS  
12 JUST AN UPDATE. WE ARE NOT GOING TO VOTE ON THIS,  
13 BUT ARE THERE ANY QUESTIONS OR COMMENTS FROM THE  
14 MEMBERS OF THE SUBCOMMITTEE?

15 MS. BONNEVILLE: STEVE HAS HIS HAND  
16 RAISED. AND KRISTINA.

17 CHAIRPERSON GASSON: GO AHEAD.

18 MR. JUELSGAARD: SO THERE ARE FOUR  
19 CONSTITUTIONAL OFFICERS EVER INVOLVED, RIGHT? AND I  
20 WOULD PRESUME THAT THEY DON'T ALL OPERATE AT THE  
21 SAME SPEED. AND SO HOW IS IT THAT WE'RE GOING TO  
22 MAKE SURE THAT WE'VE GOT INPUT FROM THE  
23 CONSTITUTIONAL OFFICERS WHO ARE GOING TO HAVE INPUT?  
24 WHAT'S THE PROCESS FOR DETERMINING THAT WE'VE GOT  
25 ALL OF THE NOMINEES IN? WHO'S FOLLOWING UP? WOULD

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1 THAT BE YOU, MARIA, WITH EACH CONSTITUTIONAL OFFICER  
2 TO SEE WHERE THEY'RE AT IN THE PROCESS?

3 MS. BONNEVILLE: ME, MARIA BONNEVILLE, OR  
4 ME MARIA MILLAN?

5 MR. JUELSGAARD: MARIA BONNEVILLE.

6 MS. BONNEVILLE: I WOULD SUSPECT THAT J.T.  
7 AND ART WOULD BE THE ONES THAT ARE FOLLOWING UP WITH  
8 THE CONSTITUTIONAL OFFICERS DIRECTLY TO MAKE SURE  
9 THAT THEY ARE INDEED SENDING IN THEIR  
10 RECOMMENDATIONS.

11 MR. JUELSGAARD: ALL RIGHT. SO THEN THEY  
12 WILL WAIT UNTIL THEY'VE GOT THE FINAL ANSWER FROM  
13 EACH CONSTITUTIONAL OFFICER BEFORE WE LAUNCH INTO  
14 THE NEXT PART OF THE PROCESS, WHICH IS THE  
15 CONSIDERATION OF THEM. OKAY. THANK YOU.

16 CHAIRPERSON GASSON: DOUG, CAN YOU REMOVE  
17 THE SLIDES SO I CAN SEE. KRISTINA.

18 DR. VUORI: THANKS. JUST MAYBE COMMENT OR  
19 CLARIFICATION. I THINK THE DEADLINE PROBABLY FOR  
20 THE CONSTITUTIONAL OFFICERS WILL BE SEPTEMBER 15TH  
21 IF THE LETTER GOES OUT MID-JULY. SO IT WOULD GIVE  
22 THEM 60 DAYS. I THINK THIS WAS HOW THE PROCESS WAS  
23 HANDLED LAST TIME, BUT THAT'S PROBABLY SOMETHING  
24 THAT WE'LL SORT AT THE END.

25 AND THEN I THINK, JUDY, THIS MIGHT BE A

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1 REMINDER FOR EVERYBODY TO REACH OUT TO OUR OWN  
2 NETWORKS TO SEEK FOR CANDIDATES FOR THESE POSITIONS  
3 AND PASS ON NAMES TO THOSE WHO WE'LL NOMINATE.

4 CHAIRPERSON GASSON: YES. WE ARE VERY  
5 MUCH -- THANK YOU, KRISTINA, FOR THAT REMINDER. AND  
6 WE ARE VERY MUCH RELYING ON EACH OF THE MEMBERS OF  
7 THE BOARD TO REACH INTO THEIR NETWORKS TO TRY TO  
8 IDENTIFY PEOPLE WHO WOULD BE POTENTIALLY INTERESTED  
9 IN THE POSITIONS AND ALSO QUALIFIED TO BE  
10 CONSIDERED. SO WE WILL DEFINITELY BE DOING THAT  
11 WITH THE FULL BOARD WHEN WE GIVE THIS UPDATE NEXT  
12 WEEK TO THE FULL BOARD MEETING.

13 OTHER QUESTIONS OR COMMENTS FROM THE  
14 MEMBERS OF THE SUBCOMMITTEE? MARIA, ARE THERE ANY  
15 HANDS RAISED FROM THE PUBLIC? NO?

16 MS. BONNEVILLE: THERE ARE NO HANDS  
17 RAISED.

18 CHAIRPERSON GASSON: OKAY. SO THAT  
19 CONCLUDES THE UPDATE. AND THE FINAL AGENDA ITEM IS  
20 WHETHER THERE IS ANY PUBLIC COMMENT FROM ANY MEMBERS  
21 OF THE PUBLIC ABOUT THIS OR ANY OTHER MATTER AT THIS  
22 TIME.

23 MS. BONNEVILLE: NOPE.

24 CHAIRPERSON GASSON: OKAY. IN THAT CASE,  
25 THANK YOU AGAIN TO KEVIN AND TAMMI FOR THE

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1     OUTSTANDING YEAR-LONG PROCESS TO GET US WHERE WE  
2     ARE.   AND WE'RE GOING TO CONTINUE TO WORK ON LEVELS  
3     NINE AND TEN, AND WE'LL BRING THEM ALONG WHEN WE ARE  
4     CONFIDENT THAT WE HAVE THE RIGHT DATA BACKING UP  
5     THOSE RECOMMENDATIONS.   AND WE WILL ADJOURN THIS  
6     MEETING AND SEE YOU ALL AT THE BOARD MEETING.   THANK  
7     YOU ALL VERY MUCH FOR PARTICIPATING TODAY.   REALLY  
8     APPRECIATE IT.

9                   CHAIRMAN THOMAS:   THANK YOU.   EXCELLENT  
10    JOB AS ALWAYS.

11                                    (THE MEETING WAS THEN CONCLUDED.)

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**REPORTER'S CERTIFICATE**

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE VIRTUAL PROCEEDINGS BEFORE THE GOVERNANCE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON JULY 11, 2022, WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

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