

BETH C. DRAIN, CA CSR NO. 7152

BEFORE THE
FINANCE 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: APRIL 26, 2022
1 P.M.

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

FILE NO.: 2022-15

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APRIL 26, 2022; 1 P.M.

CHAIRMAN ROWLETT: THE FINANCE COMMITTEE
FOR THE ICOC, CIRM, MARIA, WOULD YOU CALL THE ROLL
PLEASE.

MS. BONNEVILLE: SURE. LET'S GET THE
RECORDING STARTED, MARIANNE. THANK YOU. SEE IT.
OKAY.

HAIFA ABDULHAQ.

DR. ABDULHAQ: YES.

MS. BONNEVILLE: LINDA BOXER. ANNE-MARIE
DULIEGE. STEVE JUELSGAARD.

MR. JUELSGAARD: HERE.

MS. BONNEVILLE: SHLOMO MELMED.

DR. MELMED: HERE.

MS. BONNEVILLE: CHRISTINE MIASKOWSKI.
JOE PANETTA.

MR. PANETTA: HERE.

MS. BONNEVILLE: AL ROWLETT.

CHAIRMAN ROWLETT: HERE.

MS. BONNEVILLE: MICHAEL STAMOS.

DR. STAMOS: HERE.

MS. BONNEVILLE: JONATHAN THOMAS.

CHAIRMAN THOMAS: HERE.

MS. BONNEVILLE: ART TORRES.

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1 MR. TORRES: HERE.

2 MS. BONNEVILLE: KRISTINA VUORI.

3 DR. VUORI: HERE.

4 MS. BONNEVILLE: AND WE HAVE A QUORUM.

5 CHAIRMAN ROWLETT: THANK YOU SO MUCH,
6 MARIA. LOOKING FORWARD TO A GREAT DISCUSSION AND
7 OPPORTUNITY TODAY. I DON'T HAVE MY AGENDA UP, SO I
8 BELIEVE THE NEXT POINT IS TO TRANSITION TO STAFF FOR
9 A PRESENTATION.

10 MR. JUELSGAARD: MR. CHAIRMAN.

11 CHAIRMAN ROWLETT: YES.

12 MR. JUELSGAARD: BEFORE WE DO THAT, JUST
13 AS WE GO THROUGH THE PRESENTATION, AS A POINT OF
14 ORDER, IF WE HAVE QUESTIONS, CAN WE ASK THEM ALONG
15 THE WAY, OR WOULD YOU PREFER TO WAIT TILL THE END?

16 CHAIRMAN ROWLETT: WHAT IS THE COMMITTEE'S
17 PLEASURE? WE HAVE DISCUSSED THIS PRIOR TO THE
18 MEETING TODAY. WHAT IS THE PLEASURE OF THE
19 COMMITTEE? STEVEN, WHAT'S YOUR PLEASURE?

20 MR. JUELSGAARD: WELL, I KIND OF LIKE TO
21 DO THINGS IN REAL-TIME AND NOT WAIT TILL THE END.
22 SO THAT WOULD BE MY PREFERENCE, BUT I'M HAPPY TO DO
23 IT ANY WAY THAT OTHER PEOPLE WOULD PREFER.

24 MR. TORRES: I SECOND THAT.

25 CHAIRMAN THOMAS: I THIRD IT.

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1 CHAIRMAN ROWLETT: ALL RIGHT. HAVING IT
2 BE THIRDED, MARIA AND POUNEH, MY BELIEF AND
3 ASSUMPTION IS THAT YOU'RE MORE THAN CAPABLE OF
4 ACCOMMODATING QUESTIONS AS YOU GO ALONG. SO IF
5 MEMBERS OF THE COMMITTEE HAVE QUESTIONS, THEY'LL ASK
6 YOU TO PAUSE AND ASK THEM IN REAL-TIME. ALL RIGHT.
7 ALL RIGHT. I SEE A THUMBS UP FROM MARIA, AND POUNEH
8 IS NODDING HER HEAD. ANYTHING ELSE? ALL RIGHT.
9 THANK YOU.

10 MS. SIMPSON: SO I'M GOING TO GET STARTED.
11 I'M POUNEH SIMPSON, AND I WILL BE PRESENTING THE
12 22/23 FISCAL YEAR ADMINISTRATION BUDGET. WE LIKE TO
13 START ALL OF OUR PRESENTATIONS WITH OUR MISSION,
14 WHICH IS ACCELERATING WORLD-CLASS SCIENCE TO DELIVER
15 TRANSFORMATIVE REGENERATIVE MEDICINE TREATMENTS IN
16 AN EQUITABLE MANNER TO A DIVERSE CALIFORNIA AND
17 WORLD.

18 I JUST WANT TO GO OVER THE AGENDA FOR THE
19 DAY, AND I WILL BE GOING OVER THE 21/22 BUDGET, SOME
20 OF THE FISCAL RESULTS AND MAJOR DRIVERS, THEN
21 PRESENTING THE PROPOSED 22/23 BUDGET AND ITS MAJOR
22 DRIVERS. AND WE HAVE SHARED WITH THE COMMITTEE AN
23 APPENDIX OF THE DEPARTMENT LEVEL BUDGET THAT WE CAN
24 GO OVER.

25 SO WITH REGARDS TO THE 21/22 FISCAL YEAR

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1 RESULTS AND DISCUSSION, I FIRST WANTED TO TALK ABOUT
2 THE CONTEXT IN WHICH THIS FISCAL YEAR HAS GONE. WE
3 HAVE COMPLETED OUR FIRST YEAR OF THE CIRM RELAUNCH
4 AFTER THE PASSAGE OF PROP 14. WE'VE LAUNCHED THE
5 STRATEGIC PLAN WHICH WAS APPROVED IN DECEMBER OF
6 2021, AND WE'VE RAMPED UP INCREASING STAFF DUE TO
7 THE INCREASED WORKLOAD.

8 IN TOTAL IN 21/22, WE WERE BUDGETED FOR 55
9 POSITIONS. I'M HAPPY TO REPORT THAT TEN OF THE NEW
10 POSITIONS HAVE BEEN RECRUITED THUS FAR. SO WE ARE
11 CURRENTLY AT 47 POSITIONS. THREE POSITIONS ARE IN
12 THE HIRING PROCESS. AND ASIDE FROM THAT, WE'VE
13 INCREASED THE NUMBER OF REVIEWS BASED ON OUR
14 RAMP-UP, WE'VE CLOSED THE OAKLAND HEADQUARTERS AND
15 ARE IN THE PROCESS OF MOVING TO OUR NEW
16 HEADQUARTERS. AND, FINALLY, COVID STILL IS AN
17 EFFECT ON OUR PROGRAMS. IT'S AFFECTED OUR PERSONNEL
18 RECRUITMENT, TRAVEL, PROGRESS OF OUR FUNDED
19 PROGRAMS, AND RELATED ACTIVITIES SUCH AS MEETINGS
20 AND ADVISORY PANELS.

21 I'M HAPPY TO TAKE A QUESTION.

22 MR. JUELSGAARD: SO, POUNEH, SO JUST THE
23 THREE THAT ARE IN HIRING PROCESS, SO WHEN I TRY AND
24 TRANSLATE THIS BACK INTO THE SPECIFIC ADDS THAT ARE
25 GOING ON IN THE APPENDIX, ARE YOU INCLUDING THEM

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1 ALREADY IN THE CURRENT FTE COUNTS?

2 MS. SIMPSON: YES.

3 MR. JUELSGAARD: SO YOU'VE ALREADY BAKED
4 THOSE IN. AND WHEN YOU SAY THEY'RE IN THE HIRING
5 PROCESS, DO WE HAVE SOMEBODY IDENTIFIED THAT WE'RE
6 GOING TO HIRE, OR WE ARE STILL SEARCHING? EXACTLY
7 WHERE ARE WE AT IN THAT REGARD?

8 MS. SIMPSON: SO WE ARE IN DIFFERENT
9 PHASES OF THE RECRUITMENT PROCESS. SOME ARE AT THE
10 INTERVIEW STAGE AND SCREENING STAGE, SOME ARE IN THE
11 ADVERTISEMENT STAGE. WE ARE HOPEFUL THAT WE WILL
12 FILL ALL THREE BEFORE THE END OF THIS FISCAL YEAR,
13 WHICH IS WHY WE ARE COUNTING THEM TOWARDS THE
14 POSITIONS OF THIS FISCAL YEAR. BUT ALL THE SALARY
15 SAVINGS RELATED TO THOSE POSITIONS BEING VACANT IS
16 BEING REPORTED AS SAVINGS.

17 MR. JUELSGAARD: RIGHT. SO YOU'VE GOT
18 THEM BAKED INTO THE FTE'S, BUT YOU DON'T HAVE THE
19 SALARY BAKED IN. RIGHT?

20 MS. SIMPSON: RIGHT.

21 MR. JUELSGAARD: OKAY. BECAUSE I'VE
22 NOTICED IN SOME OF THEM, WHEN YOU START ADDING
23 PEOPLE IN, THERE ARE HUGE INCREASES IN SALARIES THAT
24 SEEM DISPROPORTIONATE TO THE NUMBER OF THE ADDS.
25 AND SO I ASSUME THIS IS WHAT WAS GOING ON IS YOU

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1 COUNTED THEM AS AN FTE, BUT SINCE YOU WEREN'T PAYING
2 THEM ANYTHING, YOU DIDN'T COUNT ANY MONEY TOWARDS
3 THEM. SO OKAY.

4 MS. SIMPSON: THAT'S EXACTLY RIGHT. WE
5 SHOW THE SAVINGS OF ANY DOLLARS THAT WE HAVEN'T
6 SPENT THIS FISCAL YEAR, WHICH IS ACTUALLY WHAT I'LL
7 BE GETTING INTO NEXT.

8 MR. JUELGAARD: OKAY. THANK YOU.

9 MS. SIMPSON: YOU'RE WELCOME.

10 MR. PANETTA: I'VE GOT A QUESTION FOR YOU,
11 PLEASE.

12 MS. SIMPSON: YES.

13 MR. PANETTA: DO WE HAVE ANYWHERE ANY KIND
14 OF A SUMMARY OF WHAT THESE POSITIONS ARE AND WHAT
15 THE SALARIES ARE?

16 MS. SIMPSON: SO WE SHOW THE INCREASES IN
17 THE ATTACHED -- WE PRESENTED THE NEW INCREASES IN
18 THE 21/22 JANUARY MID-YEAR BUDGET, AND THEY ARE IN
19 THE APPENDICES, BUT AS POSITION COUNT.

20 MR. PANETTA: YEAH. BUT THE POSITIONS
21 THEMSELVES, DO WE HAVE THAT?

22 MS. SIMPSON: WE DO. THEY'RE NOT
23 IDENTIFIED IN DETAIL IN THE APPENDICES, BUT WE HAVE
24 BEEN ADVERTISING THEM, AND, YES, WE HAVE THEM.

25 MR. PANETTA: I'D JUST LIKE TO GET, AND IT

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1 DOESN'T HAVE TO BE HERE, BUT I'D LIKE TO GET AN IDEA
2 OF WHAT THE POSITIONS ARE IF POSSIBLE PLEASE.

3 MS. SIMPSON: I'LL BE HAPPY TO GET THAT TO
4 YOU.

5 DR. MILLAN: I WANTED TO RESPOND TO THE
6 SECOND PART OF THE QUESTION RAISED ABOUT THE SALARY
7 RANGES. SO CIRM HAS POSTED SALARY RANGES FOR
8 VARIOUS POSITIONS. THEY'RE BASED ON LEVELS. AND
9 JUST FOR THIS BOARD'S INFORMATION, THAT IS CURRENTLY
10 UNDERGOING A REEVALUATION ALONG WITH A SALARY
11 SURVEY, AND THAT'S SOMETHING THAT WILL COME TO THE
12 BOARD IN THE UPCOMING MONTHS. BUT WHAT HAPPENS IS
13 THAT THE POSITIONS THAT ARE POSTED, DEPENDING ON THE
14 POSITION AND THE LEVEL, THEY ARE DICTATED BY WHAT
15 THE SALARY LEVELS ARE ON THE POSTED CIRM WEBSITE AND
16 IT'S AVAILABLE.

17 SO WE CAN SEND THAT OVER. AND, AGAIN, THE
18 DEPARTMENT LEVEL BUDGETS STATE KIND OF THE BROAD
19 CATEGORY OF THE NEW PERSONNEL ADDS IN THAT, BUT WE
20 CAN SPEAK TO THAT A LITTLE BIT MORE IF YOU'RE
21 INTERESTED.

22 CHAIRMAN ROWLETT: POUNEH, I HAVE A
23 QUESTION RELATED TO JOE'S QUESTION. I WANT TO MAKE
24 SURE I APPRECIATE IT. JOE, YOU'RE ASKING FOR NOT
25 JUST THE DEPARTMENT AGGREGATE BUDGET, BUT THE BUDGET

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1 DETAIL ASSOCIATED WITH THOSE BUDGETS AND WHAT THE
2 ASSIGNED COST IS PER FTE; IS THAT CORRECT?

3 MR. PANETTA: YES, AL. AND I WOULD LIKE
4 TO REALLY APPRECIATE MORE WHAT THE CHANGES ARE IN
5 TERMS OF THE POSITIONS AND THE ADDS AND WHAT THOSE
6 JOBS ARE JUST TO GET A BETTER IDEA OF THAT TOO.

7 CHAIRMAN ROWLETT: OKAY. UNDERSTOOD.
8 THANK YOU.

9 MR. JUELSGAARD: IF I COULD ASK ONE
10 ADDITIONAL QUESTION ACTUALLY RELATED TO ALL OF THIS.
11 SO IN A COMPANY WORLD, WHEN YOU'RE GOING TO HIRE A
12 NEW CANDIDATE FOR A PARTICULAR POSITION, MOST
13 COMPANIES WILL LOOK AT WHAT'S HAPPENING IN THE
14 MARKETPLACE. THERE ARE STATISTICS AVAILABLE IN A
15 RADFORD, FOR EXAMPLE, IS A GOOD EXAMPLE OF SALARIES
16 FOR DIFFERENT JOB POSITIONS, DIFFERENT JOB TITLES,
17 DIFFERENT LEVELS, ET CETERA, ET CETERA. SO YOU'RE
18 TYING YOURSELF TO WHEREVER YOU WANT TO, 50TH
19 PERCENTILE, 60TH, 75TH, WHATEVER, SO THAT YOU'RE
20 USING THAT AS A TITRATING POINT TO FIGURE OUT WHAT
21 YOU ARE GOING TO OFFER AS A STARTING SALARY.

22 DO WE DO SOMETHING SIMILAR? HOW DO WE
23 COME UP WITH HOW WE OFFER SALARIES FOR THE POSITIONS
24 FOR WHICH WE ARE OFFERING THEM?

25 DR. MARKS: SURE. I CAN JUMP IN ON THIS

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1 SINCE IT FALLS INTO MY SORT OF REMIT. SO TO BACK UP
2 A LITTLE BIT TO ADDRESS JOE'S QUESTION, WE ARE
3 ACTIVELY RECRUITING THREE POSITIONS IN OUR
4 ORGANIZATION. WE HAVE A DIRECTOR LEVEL POSITION IN
5 OUR THERAPEUTIC DEVELOPMENT, WE HAVE A MANAGER LEVEL
6 POSITION IN OUR BUSINESS DEVELOPMENT, AND THEN WE
7 HAVE A POSITION IN OUR GRANTS MANAGEMENT
8 ORGANIZATION. AND EACH ONE IS AT DIFFERENT STAGES
9 OF THE RECRUITING PROCESS.

10 TO STEVE'S POINT AND AS WE TALKED ABOUT AT
11 PRIOR BOARD MEETINGS, WE ARE IN THE PROCESS OF
12 UNDERGOING A FAIRLY EXTENSIVE COMPENSATION REVIEW.
13 THE BOARD CHARGED US LAST YEAR WITH GOING BACK AND
14 ENSURING THAT THE COMPENSATION LEVELS THAT WE
15 PUBLISH ON OUR WEB PAGE ACCURATELY REFLECT WHAT THE
16 MARKET BEARS AT THIS POINT IN TIME. WE ARE STILL IN
17 THE PROCESS OF DOING THAT.

18 SO, STEVE, TO YOUR POINT, YES, WE DO USE
19 COMPARATIVE DATA. WE EITHER COMPARE IT TO PEOPLE
20 CURRENTLY WORKING IN THOSE POSITIONS IN THE
21 ORGANIZATION, IF THERE ARE SIMILAR POSITIONS IN THE
22 ORGANIZATION, OR WE REACH OUT TO GET NEW MARKET DATA
23 FOR NEW POSITIONS SUCH AS THE BUSINESS DEVELOPMENT
24 MANAGER POSITION.

25 BECAUSE WE ARE STILL IN THE PROCESS OF

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1 EVALUATING ALL OF THE MARKET DATA AND IT'S COMING
2 IN, AND IT WILL BE PRESENTED TO THE BOARD IN A
3 SUBSEQUENT BOARD MEETING, I DON'T HAVE THOSE RANGES,
4 THOSE EXACT RANGES IN FRONT OF US, BUT THOSE ARE THE
5 VARIOUS LEVELS THAT ARE ARTICULATED. SO WE HAVE ONE
6 DIRECTOR LEVEL POSITION IN THERAPEUTICS, A MANAGER
7 LEVEL POSITION IN BUSINESS DEVELOPMENT, AND THEN A
8 GRANTS MANAGEMENT SPECIALIST ROLE FOR WHICH WE ARE
9 RECRUITING. I HOPE THAT ANSWERS THE QUESTIONS.

10 MR. JUELSGAARD: THANKS, KEVIN. I
11 JUST -- IT'S -- WE HAVE A LITTLE BIT OF AN APPLES
12 AND ORANGES THING GOING HERE SIMPLY BECAUSE, IN MY
13 VIEW ANYWAY, BECAUSE THERE ARE NOT ANY OTHER
14 ORGANIZATIONS THAT ARE VERY MUCH LIKE CIRM IN THE
15 STATE OF CALIFORNIA. SO TRYING TO FIGURE OUT
16 LEVELING, POSITION LEVELING FOR SALARY PURPOSES, I'M
17 SURE IS A BIT OF A CHALLENGE. AND I APPRECIATE THE
18 WORK THAT YOU'RE PUTTING IN TO TRY TO FIGURE THAT
19 OUT.

20 DR. MARKS: THANKS. I THINK A BIT OF A
21 CHALLENGE IS AN UNDERSTATEMENT FOR THE ACTIVITY THAT
22 WE'VE BEEN GOING THROUGH FOR THE LAST SEVERAL
23 MONTHS. AS YOU KNOW, THE ENABLING PROPOSITIONS OF
24 71 AND 14 ARTICULATE THE BASIS UPON WHICH WE NEED TO
25 BASE OUR SALARY DECISIONS AND COMPARATORS TO THE

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1 UNIVERSITIES OF CALIFORNIA AND OTHER PRIVATE
2 RESEARCH INSTITUTIONS. SO WE ARE STILL IN THE
3 PROCESS, AGAIN, OF GATHERING THE DATA AND
4 ESTABLISHING OUR RANGES, AND WE'LL BE COMING FORWARD
5 IN A SUBSEQUENT BOARD MEETING WITH RECOMMENDED, IF
6 THERE ARE ANY, RECOMMENDED ADJUSTMENTS TO OUR
7 COMPENSATION LEVELS.

8 MR. JUELSGAARD: THANK YOU.

9 MR. PANETTA: IN ALL THE TIME I'VE BEEN ON
10 THE BOARD, I REALLY HAVEN'T UNDERSTOOD THIS ALL THAT
11 WELL. I APOLOGIZE.

12 SO WE CAN PAY COMPETITIVELY RELATIVE TO
13 THE TYPES OF ORGANIZATIONS YOU MENTIONED. WE ARE
14 NOT CONSTRAINED BY STATE CIVIL SERVICE REQUIREMENTS,
15 RIGHT?

16 MR. MARKS: CORRECT. WE ARE EXEMPT FROM
17 THE CIVIL SERVICE REQUIREMENTS.

18 MR. PANETTA: OKAY. THANKS.

19 MS. SIMPSON: SO I'LL JUST CONTINUE WITH
20 THE PRESENTATION, AND I'M HAPPY TO STOP AGAIN IF
21 THERE'S ANY OTHER QUESTIONS.

22 CHAIRMAN ROWLETT: THANK YOU, POUNEH, FOR
23 YOUR -- THIS, I THINK, WILL BE REFLECTIVE OF THE
24 KIND OF CONVERSATION THAT WE'LL HAVE TODAY THAT WILL
25 HELP THE COMMITTEE IN RENDERING WHAT I BELIEVE WILL

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1 BE AN INFORMED DECISION. SO THANKS.

2 MS. SIMPSON: ABSOLUTELY. SO NEXT I
3 WANTED TO GO OVER OUR 21/22 BUDGET VERSUS ESTIMATED
4 TO FINISH. AND IN THIS CHART IN COLUMN 2, WE ARE
5 SHOWING WHAT THE ICOC APPROVED, \$22.9 MILLION.

6 IN ESTIMATING THE AGENCY, WE'LL BE
7 FINISHING THE FISCAL YEAR AT AN ESTIMATED \$18.2
8 MILLION, AND THAT'S SHOWN IN COLUMN 3. AND IN
9 COLUMN 4 WE SHOW THE VARIANCE IN THE DIFFERENT
10 CATEGORIES FOR A TOTAL OF \$4.7 MILLION IN SAVINGS
11 THAT HAVE BEEN CAPTURED.

12 THESE SAVINGS ARE THE RESULT OF THE TEAM'S
13 MANAGEMENT OF OUR EXPENDITURES AND KEEPING COSTS
14 DOWN WHILE STILL GROWING. ALSO, SOME OF THE
15 EXPENDITURES IN THESE CATEGORIES DID NOT
16 MATERIALIZE, WHICH I WILL BE TALKING ABOUT SHORTLY.

17 BUT BEFORE I LEAVE THIS SLIDE, I WANTED TO
18 POINT OUT THAT THERE'S THREE LINE ITEMS THAT HAVE
19 THE GREATEST AMOUNT OF SAVINGS IN TERMS OF DOLLARS.
20 THE FIRST IS EMPLOYEE EXPENSE WITH \$3 MILLION, NEXT
21 IS EXTERNAL SERVICES WITH \$563,000, AND, FINALLY,
22 RENT, A SAVINGS OF 417. THESE THREE CATEGORIES
23 COMBINED REPRESENT 84 PERCENT OR \$4 MILLION OF THE
24 SAVINGS THAT WE ARE CAPTURING. SO I'LL BE FOCUSING
25 ON THESE THREE MAJOR DRIVERS IN THE NEXT FEW SLIDES

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1 WHICH I'M HAPPY TO GO TO NEXT.

2 SO IN TERMS OF LOWER EXPENDITURES WITH
3 EMPLOYEE EXPENSES, AGAIN, WE WERE UNDER BUDGET BY \$3
4 MILLION. THIS WAS DUE TO THE DELAY IN FILLING
5 POSITIONS. WE HAD AN AMBITIOUS GOAL OF FILLING OUR
6 VACANCIES, AND WE ARE PROUD THAT WE WERE ABLE TO
7 FILL TEN AND ARE IN THE PROCESS OF FILLING THE
8 REMAINING THREE FOR THIS FISCAL YEAR'S TOTAL OF 13
9 POSITIONS. BUT THAT TIMELINE THAT WE HAD TOOK
10 LONGER, SO THAT RESULTED IN SOME SAVINGS WHICH WE
11 ARE SHOWING HERE.

12 ALSO, WE MADE THE DECISION NOT TO FILL
13 THREE POSITIONS, WHICH, AGAIN, CREATED SOME SAVINGS
14 THAT CONTRIBUTED. THOSE WERE THE MAJOR FACTORS FOR
15 THE EMPLOYEE EXPENSES.

16 WITH REGARDS TO EXTERNAL SERVICES, WE ARE
17 UNDER BUDGET BY \$563,000 BECAUSE OF THE CONTINGENT
18 CONTRACTS AND EXTERNAL LEGAL SERVICES THAT WERE NOT
19 REQUIRED. SO WE WERE CAPTURING THOSE SAVINGS
20 BECAUSE WE DID NOT NEED TO USE THOSE CONTRACTS.

21 AND, FINALLY, WITH REGARDS TO MOVE
22 EXPENSES, WE ARE UNDER BUDGET BY 417,000 BECAUSE THE
23 ACTUAL MOVE COSTS WERE LOWER THAN BUDGETED DUE TO
24 THE STAFF'S DILIGENCE IN SHOPPING AROUND AND GETTING
25 SERVICES RELATED TO THE MOVE AT LOWER THAN EXPECTED

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1 COSTS.

2 I DON'T SEE ANY HANDS, SO I THINK I'M
3 GOING TO CONTINUE. PLEASE STOP ME IF YOU HAVE ANY
4 QUESTIONS.

5 SO I WANTED TO TALK ABOUT THE 22/23
6 PROPOSED BUDGET. THE CIRM TEAM IS REQUESTING THAT
7 THE ICOC APPROVE \$26.2 MILLION FOR THE 22/23 BUDGET.
8 IN THIS CHART WE SHOW AGAIN WHAT THE ICOC APPROVED
9 IN 21/22, WHICH IS \$22.9 MILLION IN THE SECOND
10 COLUMN. IN THE THIRD COLUMN WE ARE SHOWING THE
11 REQUESTED, THE PROPOSED BUDGET OF 26.2. AND IN THE
12 FOURTH COLUMN WE ARE SHOWING THE VARIANCE.

13 AGAIN, I WANT TO DRAW YOUR ATTENTION TO
14 THREE PARTICULAR LINE ITEMS. EMPLOYEE EXPENSE IS AN
15 INCREASE OF 2.7 MILLION, REVIEWS MEETINGS AND
16 WORKSHOPS IS 562,000, AND AT THE VERY BOTTOM
17 FACILITIES IS A REDUCTION OF 201,000. COMBINED
18 THOSE ARE THE MAJOR FACTORS RELATED TO THE 3.2
19 MILLION VARIANCE, AND THAT'S WHAT I WANT TO FOCUS ON
20 NEXT.

21 SO WITH REGARDS TO THE EMPLOYEE EXPENSES,
22 WE ARE REQUESTING TO FUND TEN NEW POSITIONS BASED ON
23 PROGRAMMATIC NEED, THE DETAILS OF WHICH ARE IN THE
24 APPENDICES WE PROVIDED. TODAY, THOSE TEN POSITIONS
25 WE ARE PROPOSING TO FILL AS PARTIAL YEAR. SO NOT A

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1 FULL YEAR COST. WE ARE INCREASING THE PATIENT
2 ADVOCATE BOARD MEMBER PER DIEM. AS YOU RECALL, THE
3 ICOC APPROVED BOARD MEMBER PER DIEM IN JANUARY, BUT
4 JUST FOR SIX MONTHS. SO THIS INCREASE REPRESENTS
5 THE FULL YEAR COST OF THE PER DIEM.

6 WE ALSO HAVE HAD SOME INCREASES IN
7 MANDATED BENEFITS AND RETIREMENT ADJUSTMENTS WHICH
8 WE HAVE NO CONTROL OVER, THE STATE MANDATES THOSE,
9 AND SOME MERIT SALARY ADJUSTMENTS. COMBINED THEY
10 ARE AT A \$2.7 MILLION INCREASE.

11 MR. JUELSGAARD: THIS COMPARISON YOU'RE
12 MAKING IS AGAINST THE PRIOR YEAR'S BUDGET RATHER
13 THAN EXPECTED TO FINISH, AND THAT SLIDE IS THE LAST
14 SLIDE IN THIS DECK. SO ACTUALLY COMPARED TO THE
15 EMPLOYEE EXPENSE LINE ITEM ON THE EXPECTED TO FINISH
16 THIS YEAR, THE DIFFERENCE BETWEEN WHAT YOU'RE ASKING
17 FOR EXPECTED TO FINISH IS IN THE NEIGHBORHOOD OF
18 \$5.7 MILLION RATHER THAN THE 2.7 MILLION. SO IT'S
19 SUBSTANTIALLY MORE THAN THAT.

20 LET ME JUST ASK, OF THE AMOUNT OF
21 INCREASE, WHAT PERCENTAGE OF THAT IS FOR NEW
22 EMPLOYEE SALARIES?

23 MS. SIMPSON: 1.9 MILLION OF IT IS FOR THE
24 TEN NEW POSITIONS.

25 MR. JUELSGAARD: BUT THAT'S OF THIS 2.768,

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1 RIGHT?

2 MS. SIMPSON: CORRECT.

3 MR. JUELSGAARD: SO IF WE TRANSLATE THAT
4 INSTEAD TO MY 5.7 MILLION, WHICH IS THE DIRECT
5 AMOUNT OF INCREASE FROM WHAT WE'LL WIND UP AT THE
6 END OF THIS YEAR TO THE END OF THE NEXT FISCAL YEAR,
7 ACCORDING TO THIS BUDGET, YOU UNDERSTAND WHAT I'M
8 SAYING?

9 MS. SIMPSON: YES.

10 MR. JUELSGAARD: WHAT PERCENTAGE IS THAT
11 IN NEW SALARIES?

12 MS. SIMPSON: SO THE 1.9 MILLION VERSUS
13 THE 5.7?

14 MR. JUELSGAARD: YES. NO. SO WHAT'S
15 THE -- LET ME. WHERE IS MY SLIDE? OKAY. SO THIS
16 YEAR WE EXPECT TO SPEND \$12.645, RIGHT?

17 MS. SIMPSON: YES.

18 MR. JUELSGAARD: AND THE NEW BUDGET IS
19 \$18.421 MILLION, AND THE DELTA BETWEEN THOSE IS
20 5.716, BUT LET'S JUST SAY IT'S 5.7. SO THAT'S AN
21 INCREASE OF \$5.7 MILLION. FORGET ABOUT THE OLD
22 BUDGET. THE OLD BUDGET IS JUST THE OLD BUDGET.
23 IT'S ACTUALLY WHAT WE SPENT THAT I'M MORE FOCUSED
24 ON.

25 SO OF THAT 5.7, HOW MUCH IS GOING TO NEW

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1 SALARIES? SO THAT WOULD BE THE TEN NEW POSITIONS
2 AND THE THREE POSITIONS BUDGETED AT PARTIAL YEAR.
3 WHAT'S THE DOLLAR AMOUNT THAT GOES TO THOSE?

4 MS. SIMPSON: OKAY. SO THE TEN NEW
5 POSITIONS, THE 1.9 MILLION ASSOCIATED WITH THE TEN
6 POSITIONS, REPRESENTS 3 PERCENT OF THE 5.7 MILLION
7 THAT YOU ARE SPEAKING OF. AND THE THREE POSITIONS
8 BEING FILLED NOW WHERE WE CAPTURED THE SAVINGS THIS
9 FISCAL YEAR, BUT WE ARE BUDGETING FOR THEM FOR THE
10 FULL 12 MONTHS NEXT YEAR, IS \$791,000. SO COMBINED
11 ROUGHLY 2.75.

12 MR. JUELGAARD: SO WHERE DOES THE OTHER
13 \$3 MILLION GET SPENT THEN?

14 MS. SIMPSON: I'LL BE HAPPY TO EXPLAIN
15 THAT. THANK YOU FOR ASKING THAT.

16 SO THERE'S FOUR DIFFERENT AREAS THAT
17 CONTRIBUTE TO THE 3 MILLION IN SAVINGS. ONE IS THAT
18 WE HAD VACANCIES. THREE OF THEM WE DON'T PLAN TO
19 FILL AT ALL AND TWO WE CAPTURED THE SAVINGS AND ARE
20 NOT FILLING. SO THAT'S A SAVINGS OF \$848,000, WHICH
21 624,000 OF THAT IS THE ABOLISHED POSITIONS WHICH WE
22 ARE NOT ASKING FOR. AGAIN, 791,000 IS THE THREE
23 POSITIONS BEING FILLED NOW. SO THERE'S NO COST
24 NECESSARILY THIS YEAR BECAUSE THEY'LL BE FILLED
25 TOWARDS THE END OF THE YEAR, BUT FULL COST NEXT

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1 YEAR.

2 ALSO, THERE ARE SAVINGS RELATED TO THE
3 PANDEMIC. WE BUDGET FOR TRANSIT REIMBURSEMENT,
4 WHICH IS PART OF THIS CATEGORY OF EXPENDITURE WHICH
5 DIDN'T MATERIALIZE BECAUSE WE WERE WORKING REMOTELY.
6 WE CAPTURED THOSE SAVINGS.

7 FINALLY, WE CAPTURED OTHER SAVINGS RELATED
8 TO -- WE HIRED TEN POSITIONS, BUT WE DIDN'T HIRE
9 THEM ALL IN JULY. WE ARE CAPTURING THE SAVINGS
10 RELATED TO THOSE POSITIONS. WE ARE CAPTURING
11 SAVINGS FOR CONTINGENT COSTS FOR TEMPORARY HELP,
12 RETIRED AND ANNUITANTS THAT WE HAD PUT IN PLACE TO
13 HELP US FILL THE GAP WHILE WE WERE FILLING THOSE
14 POSITIONS. WE DID NOT FULLY USE THEM, SO WE ARE
15 CAPTURING THOSE SAVINGS.

16 AND, FINALLY, WE FILL POSITIONS SOMETIMES
17 LOWER THAN BUDGETED. AND THE REASON FOR THAT IS WE
18 BUILD THE BUDGET WITH A MIDPOINT OF THE SALARY
19 RANGE; BUT SOMETIMES IN THE RECRUITMENT PROCESS WE
20 BRING THEM IN AT THE BOTTOM OF THE SALARY RANGE, OR
21 WE ASSUME THAT THE NEW EMPLOYEE WILL HAVE ONE OTHER
22 FAMILY MEMBER THAT WE WILL BE PAYING HEALTH BENEFITS
23 FOR TWO PARTIES IN THEIR FAMILY. SOMETIMES THEY
24 COME IN AND THEY DON'T HAVE ANY OTHER FAMILY MEMBERS
25 OR THEY WAIVE THE HEALTH BENEFITS. THOSE ARE THE

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1 KIND OF ACTUAL NUMBERS THAT MATERIALIZE WHILE WE ARE
2 FILLING THESE POSITIONS THAT WE DID NOT NECESSARILY
3 KNOW UNTIL WE FILLED THE POSITIONS.

4 SO THOSE FOUR FACTORS COMBINED CREATE THE
5 \$3 MILLION OF SAVINGS IN THIS CATEGORY IN THE
6 CURRENT FISCAL YEAR.

7 NOW, WITH REGARDS TO THE 2.7 MILLION THAT
8 WE ARE ASKING FOR IN THE 22/23 BUDGET, AGAIN, 1.9
9 MILLION OF THAT IS RELATED TO THE TEN NEW POSITIONS.
10 203,000 OF IT IS RELATED TO THE FULL YEAR COST OF
11 THE PATIENT ADVOCATE PER DIEM. WE FUNDED HALF OF IT
12 THIS FISCAL YEAR, 203,000. THE FULL COST IS
13 406,000. SO IT INCLUDES ANOTHER 203,000 SO THAT WE
14 HAVE THE FULL YEAR COSTS.

15 WE ALSO HAVE SOME MANDATED COSTS THAT WE
16 HAVE NO CONTROL OVER. FOR EXAMPLE, THE RETIREMENT
17 PERCENTAGE HAS GONE UP, RESULTING IN 210,000
18 INCREASE IN OUR EXISTING STAFF'S RETIREMENT
19 CONTRIBUTION. AND THEN THERE'S SOME FULL YEAR COSTS
20 FOR THE MID-YEAR POSITIONS THAT WERE APPROVED BY THE
21 ICOC AND OTHER BENEFITS, CHANGES IN BENEFITS, AND
22 MERIT INCREASES THAT ARE COMBINED IN THAT 2.7. SO
23 LIKE YOU SAID, IT'S A COMBINED 5.7, BUT THERE ARE
24 SIX FACTORS THAT GO INTO THAT ASIDE FROM THE TEN NEW
25 POSITIONS.

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1 MR. JUELSGAARD: SO IF I UNDERSTAND YOU
2 CORRECTLY, YOU'RE BASICALLY SAYING THERE'S ABOUT \$3
3 MILLION IN THE DIFFERENCE THAT WERE SAVINGS LAST
4 YEAR THAT WE ARE NOT ABLE TO SAVE THIS YEAR?

5 MS. SIMPSON: ASIDE FROM THE \$624,000 FOR
6 THE THREE POSITIONS WE ABOLISHED, THE REMAINING
7 SAVINGS THAT WE ARE SHOWING IN 21/22 WE'RE
8 PROJECTING TO BE COSTS. EXACTLY, WE FILLED THOSE
9 POSITIONS. WE'RE GOING TO BE PAYING THOSE SALARIES,
10 AND THE TEMP HELP ADJUSTMENTS AND ALL THAT HAVE BEEN
11 MADE. SO WE ARE NOT GOING TO HAVE THOSE SAVINGS IN
12 THE FUTURE.

13 MR. JUELSGAARD: WHAT'S THE PERCENTAGE
14 OF -- AVERAGE PERCENTAGE OF INCREASE IN SALARY
15 ADJUSTMENTS BUILT INTO THIS MODEL?

16 MS. SIMPSON: SO WE TYPICALLY BUILD IN A
17 CERTAIN PERCENTAGE, LIKE 3 PERCENT, BUT THAT ISN'T
18 NECESSARILY ALLOCATED TO ANY PARTICULAR POSITION.
19 IT'S A CONTINGENCY SHOULD THERE BE ANY APPROVED
20 VARIANCE OR SALARY INCREASES. IF IT DOESN'T
21 MATERIALIZE, AGAIN, WE SHOW THAT AS SAVINGS.

22 MR. JUELSGAARD: YOU HAD TO MAKE AN
23 ASSUMPTION ABOUT SALARY INCREASES TO BUILD THIS
24 BUDGET OR YOU SHOULD HAVE ANYWAY, RIGHT? YOU'RE NOT
25 HOLDING THE SALARY'S COST. AND SO OVERALL YOU WOULD

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1 HAVE HAD A DOLLAR AMOUNT THAT GOES SIMPLY TO SALARY
2 INCREASES?

3 MS. SIMPSON: YES. WE SET ASIDE 200,000,
4 ROUGHLY 211,000 FOR SALARY INCREASES.

5 MR. JUELSGAARD: 211,000 FOR, SAY, 50 SOME
6 EMPLOYEES, RIGHT? 47 PLUS 3.

7 MS. SIMPSON: IT'S THE 50 EMPLOYEES, YES.

8 MR. JUELSGAARD: OKAY.

9 MS. SIMPSON: BECAUSE THE PROPOSED TEN NEW
10 POSITIONS DON'T GET SALARY INCREASES.

11 MR. JUELSGAARD: RIGHT.

12 CHAIRMAN ROWLETT: STEVE, IF I COULD JUST
13 CLARIFY. POUNEH, STEVE'S QUESTION IS WHAT WAS THE
14 PERCENTAGE AMOUNT, FOR EXAMPLE, AND I DON'T KNOW
15 THIS, AND SO IT'S A GREAT QUESTION FOR ME. DO YOU
16 BUDGET FOR INCREASES FOR THE UPCOMING FISCAL YEAR?
17 IS IT 2 PERCENT, 4 PERCENT? AND I ASSUME THAT
18 THAT'S ASIDE FROM THE STATE-MANDATED BENEFIT AND
19 RETIREMENT ADJUSTMENTS THAT ARE ALREADY HERE.

20 MS. SIMPSON: THAT'S CORRECT. WE BUDGETED
21 211,000 REPRESENTING ROUGHLY 5 PERCENT.

22 CHAIRMAN ROWLETT: 5 PERCENT. THAT'S IT.
23 THANK YOU. AND MY APOLOGIES. I KNOW I JUMPED INTO
24 THE MIDDLE OF THE LINE. WE'RE GOING TO GET TO
25 KRISTINA AND MICHAEL.

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1 MR. JUELSGAARD: THANK YOU FOR CLARIFYING
2 THAT FOR ME, THE 5 PERCENT. THAT'S HELPFUL. I'M
3 DONE.

4 MS. SIMPSON: I'M HAPPY TO TAKE THE NEXT
5 QUESTION.

6 MS. BONNEVILLE: MICHAEL WAS NEXT.

7 DR. STAMOS: STEVE ASKED PRETTY MUCH WHAT
8 I WAS GOING TO ASK, SO THANK YOU, STEVE. BUT I'M
9 STILL A LITTLE CONFUSED. SO LET ME ASK IT A LITTLE
10 BIT DIFFERENT WAY, POUNEH, IF YOU DON'T MIND.

11 CAN YOU GO BACK TWO SLIDES TO WHEN YOU
12 COMPARED THE ACTUAL TO THE BUDGET FOR THE CURRENT
13 YEAR?

14 MS. SIMPSON: YES.

15 DR. STAMOS: PERFECT. ONE MORE SLIDE BACK
16 WHEN YOU SHOWED THE ACTUAL TO THE BUDGET FOR THIS
17 CURRENT YEAR. RIGHT THERE. THAT'S IT.

18 SO YOU'RE ENDING THE YEAR MORE OR LESS AT
19 18 AND CHANGE, RIGHT?

20 MS. SIMPSON: YES.

21 DR. STAMOS: AND SO WHY NOT, WHEN YOU
22 BUILD YOUR 22/23, KNOWING THAT, WHY DON'T YOU BUILD
23 IT BASED OFF OF THAT AS OPPOSED TO BASED OFF THE
24 BUDGET WHICH WAS -- DIDN'T END UP BEING REALISTIC,
25 NOT FOR ANY FAULT OF ANYBODY EXCEPT THAT WE SAVED

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1 FOUR MILLION PLUS DOLLARS. SO WHY NOT BUILD IT
2 OFF -- IT MIGHT MAKE IT MUCH EASIER TO UNDERSTAND
3 FROM MY POINT OF VIEW IF YOU BUILT IT OFF THE ACTUAL
4 RATHER THAN A POINT THAT ENDED UP BEING QUITE
5 INACCURATE?

6 MS. SIMPSON: ACTUALLY WE DO BUILD IT OFF
7 OF THE ACTUAL. THE \$3 MILLION WE CAPTURED IN
8 SAVINGS WE GIVE BACK, AND WE BUILD A BRAND-NEW
9 BUDGET FOR 22/23 BASED ON OUR PROGRAMMATIC NEEDS AND
10 THE COSTS ASSOCIATED WITH THOSE NEEDS. WE DON'T
11 REALLY LOOK AT THE 21/22 BUDGET IN BUILDING THE
12 22/23. SO, FOR EXAMPLE, WHEN YOU LOOK AT THE COSTS
13 OF 22/23, THERE ARE VACANCIES THAT NOW HAVE BEEN
14 FILLED. SO OUR BUDGET INCLUDES THE SALARIES AND
15 BENEFITS FOR THOSE POSITIONS. THAT'S PART OF WHAT I
16 WAS EXPLAINING IS THE SAVINGS THIS YEAR ARE ACTUALLY
17 GOING TO BE COSTS NEXT YEAR.

18 DR. STAMOS: BUT, POUNEH, YOUR VARIANCE
19 HAS NO LOGIC. IT DOESN'T MAKE ANY SENSE. THAT'S
20 NOT THE ACTUAL VARIANCE. THAT'S MY POINT. RIGHT?
21 SO IF THE VARIANCE WAS ACTUALLY PUT ON THERE
22 ACCURATE FOR THE FISCAL YEAR 21/22 ACTUAL TO THE
23 22/23 BUDGET, THIS IS NOT THE SLIDE, BUT THE ONE YOU
24 SHOWED LATER YOU HAD THE VARIANCE IN THERE, I
25 BELIEVE, OF 2.7 MILLION. IT'S ACTUALLY, LIKE STEVE

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1 POINTED OUT, IT'S MORE LIKE 5.7 MILLION.

2 SO I THINK THAT'S -- WHEN YOU EXPLAIN THIS
3 CURRENT YEAR'S BUDGET AND YOU COMPARE IT TO THE
4 PREVIOUS YEAR'S ACTUAL, I THINK IT'S MUCH EASIER TO
5 FOLLOW ALONG HOW THE FINANCES WILL CHANGE. THAT'S
6 ALL.

7 MR. JUELSGAARD: MICHAEL, WHEN YOU GET TO
8 THE VERY LAST SLIDE IN THIS DECK, BECAUSE THAT GOT
9 ADDED IN AT THE END OF THE DAY, I DON'T KNOW IF IT'S
10 IN THE DECK THAT'S BEING PRESENTED OR NOT, IT WAS IN
11 THE DECK THAT WAS ON THE WEBSITE, YOU WILL SEE THAT
12 THAT HAPPENED. THE VARIANCE DIDN'T GET, BUT WE
13 ADDED A LINE IN WHICH WE SHOWED EXPECTED TO FINISH
14 VERSUS THE NEXT FISCAL YEAR BUDGET BECAUSE
15 HISTORICALLY THAT'S THE WAY THAT THESE HAVE BEEN
16 PRESENTED. AND THAT'S THE WAY I UNDERSTAND
17 BUDGETING BETTER THAN TRYING TO COMPARE IT TO A
18 PREVIOUS YEAR'S BUDGET.

19 DR. STAMOS: THANKS, STEVE. I'LL LOOK AT
20 THAT. THANK YOU.

21 MS. SIMPSON: THERE'S ONE MORE QUESTION,
22 BUT I DON'T KNOW WHICH --

23 MS. BONNEVILLE: KRISTINA IS NEXT.

24 DR. VUORI: THANK YOU. THANK YOU FOR ALL
25 THE ANSWERS SO FAR. I UNDERSTAND AND APPRECIATE THE

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1 COMPLEXITIES FROM PREVIOUS YEAR'S BUDGET VERSUS
2 ACTUALS VERSUS WHAT'S GOING TO HAPPEN.

3 FOLLOWING UP SORT OF WHAT STEVE WAS
4 SAYING, AND I HAVE TO ADMIT THAT I'M STILL CONFUSED,
5 AND IT'S MAYBE A LITTLE BIT TOO DETAILED. BUT IF I
6 LOOK AT THE SLIDES IN THE APPENDIX, I'M JUST MAKING
7 UP -- PICKING UP ONE EXAMPLE, MEDICAL AFFAIRS AND
8 POLICY, THERE'S AN INCREASE OF ESSENTIALLY TWO HEAD
9 COUNTS ON THE EMPLOYEE SIDE FOR THIS CATEGORY, BUT
10 THE EXPENSES AS IT COMES TO THIS FISCAL YEAR
11 ACTUALS, 767,000, SOMETHING IN THE PARK OF 1.5
12 MILLION, AND IT'S LARGELY IN THE EMPLOYEE EXPENSE
13 CATEGORY.

14 SO IT COULD BE, I THINK, VERY HELPFUL TO
15 HAVE SOME NARRATIVE WHEN THERE IS THIS TYPE OF NOT A
16 STRAIGHT LINE MATH CHANGE AS TO WHAT IS IT THAT
17 EXACTLY LEADS TO THE CHANGE.

18 MS. SIMPSON: SURE. I'LL BE HAPPY TO
19 ANSWER --

20 DR. VUORI: YOU DON'T HAVE TO ANSWER
21 NECESSARILY THIS SPECIFIC THING, BUT I THINK THIS IS
22 WHAT SORT OF CREATES THE CONFUSION AT LEAST AT MY
23 END.

24 MS. SIMPSON: UNDERSTOOD.

25 DR. MILLAN: SO MAY I JUST REPEAT BACK TO

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1 THE BOARD WHAT YOUR REQUEST IS? THE REQUEST IS IN
2 THE FUTURE, IN THE NEXT BUDGET PRESENTATION AT THE
3 BOARD AND FOR FUTURE PRESENTATIONS, THAT PERHAPS THE
4 CHART THAT'S DISPLAYED HAS THE END TO FINISH WITH
5 THE NEW ASK AND THE VARIANCE PLAYING OFF OF THE END
6 TO FINISH RATHER THAN OFF OF THE PREVIOUS YEAR'S
7 BUDGET. SO WE WILL MAKE THAT ADJUSTMENT, BECAUSE
8 THERE HAS BEEN VARIATIONS IN HOW THIS HAS BEEN DONE,
9 IN FUTURE PRESENTATIONS. AND THANK YOU VERY MUCH.

10 CHAIRMAN ROWLETT: ANY OTHER QUESTIONS?
11 OKAY. POUNEH, BACK TO YOU.

12 MS. SIMPSON: I'M JUST GOING TO GO BACK TO
13 THE PROPOSED BUDGET AND THE FACTORS THAT WERE
14 CONTRIBUTING TO THAT. SO WE TALKED ABOUT THE TEN
15 NEW POSITIONS THAT WE ARE ASKING FOR. WE ARE
16 PROPOSING AN INCREASE IN REVIEWS, MEETINGS, AND
17 WORKSHOPS. AND THAT IS PRIMARILY DUE TO AN INCREASE
18 IN THE NUMBER OF MEETINGS, INCREASED COST FOR
19 HONORARIA, AND MORE IN-PERSON MEETINGS MEANS MORE
20 TRAVEL. SO THOSE ARE THE THREE FACTORS THAT
21 CONTRIBUTE TO THE COST OF INCREASED REVIEWS,
22 MEETINGS, AND WORKSHOPS.

23 MR. JUELSGAARD: SO, POUNEH, AND THIS
24 ACTUALLY IS ALSO IN CONJUNCTION WITH THE INCREASED
25 HEAD COUNT. SO YOU HAD TO MAKE ASSUMPTIONS ON

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1 INCREASES IN ACTIVITY, ACTIVITY INCREASES. SO WE'RE
2 GOING TO HAVE MORE REVIEWS, MORE MEETINGS, MORE
3 ADVISORY WORKSHOPS, WE NEED MORE PEOPLE. WHAT
4 ASSUMPTIONS ARE YOU USING THAT SAYS THAT WE'RE GOING
5 TO BE DOING MORE TOMORROW THAN WE ARE DOING TODAY?
6 HOW DO YOU MAKE THAT -- HOW DO YOU BUILD THAT
7 ASSUMPTION AND HOW DOES IT COME TO SOME NUMBER THAT
8 YOU CAN USE IN TERMS OF INCREASE?

9 MS. SIMPSON: SO FUNDAMENTALLY THE BUDGET
10 IS BUILT OFF OF OUR STRATEGIC PLAN, AND THE STATED
11 GOALS FOR THE STRATEGIC PLAN ARE THEN CONVERTED TO
12 MILESTONES THAT WE NEED TO HIT, AND THEN THE BUDGET
13 IS BUILT ON THAT.

14 MR. JUELSGAARD: OKAY. SO IT'S BUILT ON
15 THE STRATEGIC PLAN. TO WHAT EXTENT, WHEN YOU LOOK
16 AT PERFORMANCE, LET'S SAY, OVER THE PAST YEAR, WHEN
17 YOU START TRACKING NUMBER OF APPLICATIONS, NUMBER OF
18 APPROVALS, NUMBER OF MEETINGS, ET CETERA, TO WHAT
19 EXTENT DOES ACTUAL PERFORMANCE VERSUS WHAT THE PLAN
20 IS, WHAT ROLE DOES THAT PLAY?

21 MS. SIMPSON: I'M GOING TO LET MARIA
22 ANSWER THAT ONE.

23 DR. MILLAN: SO JUST TO BREAK IT DOWN TO
24 MORE CONCRETE TERMS MAYBE, WHEN WE TALK ABOUT HIGHER
25 COST OF REVIEWERS, FOR INSTANCE, SO BECAUSE THERE

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1 ARE SOME ADDITIONS TO THE COST OF THE REVIEWS
2 RELATED TO PER DIEM COSTS FOR PATIENT ADVOCATE
3 MEMBERS WHO SERVE ON THE BOARD AND HIGHER COST OF
4 HONORARIA FOR THE REVIEWERS JUST BECAUSE OF THE
5 VOLUME AND THE AMOUNT OF REVIEW MATERIAL THAT THEY
6 NEED TO GO THROUGH AND THE ADDITIONAL THINGS SUCH AS
7 DATA SHARING AND DEI, FOR INSTANCE.

8 AND THEN THE OTHER ARE QUANTITATIVE LIKE
9 BOARD AND SUBCOMMITTEE MEETINGS. MARIA BONNEVILLE
10 AND MARIANNE CAN SPEAK TO THIS MORE, BUT THERE ARE,
11 I THINK, 70 MEETINGS OR SOMETHING RELATED TO ALL THE
12 BOARD RELATED MEETINGS THIS YEAR. IS THAT RIGHT,
13 MARIA?

14 MS. BONNEVILLE: THERE ARE VARIOUS, BUT WE
15 HAVE BUDGETED FOR TWO IN-PERSON BOARD MEETINGS FOR
16 THE NEXT FISCAL YEAR, AND THEY'RE SHOCKINGLY
17 EXPENSIVE TO HAVE AS ARE ALL IN-PERSON MEETINGS
18 THESE DAYS. THERE WILL ALWAYS BE A HYBRID OPTION
19 JUST BECAUSE THAT HAS CONTRIBUTED TO SOME OF THIS,
20 YES.

21 DR. MILLAN: AND THEN THERE IS ACTUALLY
22 MORE ADVISORY WORKSHOPS RELATED TO, AND THOSE ARE
23 TANGIBLE WORKSHOPS WHERE WE BRING IN EXPERTS RELATED
24 TO CREATION OF NEW CONCEPT PROPOSALS, SOME OF YOU
25 HAVE ATTENDED SOME OF THEM, RELATED TO

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1 MANUFACTURING, RELATED TO DATA, AND SHARED LABS,
2 COMMUNITY CARE CENTERS, AND THEN THE EXPANSION OF
3 THE ALPHA CLINICS, THE TANGIBLE CONCEPTS THAT LEAD
4 TO MULTIPLE STAKEHOLDER MEETINGS SO THAT THOSE PLANS
5 ARE DEVELOPED. AND SO IT IS RELATED ACTIVITIES AND
6 COSTS RELATED TO DEPLOYING THOSE ACTIVITIES,
7 INCLUDING CONSULTANTS, INCLUDING WHAT IT COSTS TO
8 ASSEMBLE THOSE.

9 AND THEN WE DO KNOW THAT THERE ARE CHANGES
10 FROM LAST YEAR TO THIS YEAR IN TERMS OF RETURNING TO
11 THE OFFICE. OPENING UP ACTIVITIES, THERE ARE
12 TANGIBLY MORE TRAVEL. WE HAD NO TRAVEL AT ALL LAST
13 YEAR. WE REOPENED IT AND PEOPLE ARE TRAVELING TO
14 MEETINGS. MEETINGS ARE OPENING UP. NOW THAT THE
15 WORLD IS OPENING UP, WE NEED TO MEET THOSE
16 STANDARDS. OTHERWISE WE'LL BE DISCONNECTED.

17 SO THOSE ARE KIND OF SOME OF THE TANGIBLE
18 KIND OF EVERYDAY ACTIVITIES THAT NOW HAVE RESTARTED
19 THAT WERE NOT HAPPENING OVER THE PAST COUPLE OF
20 YEARS.

21 MR. JUELSGAARD: PERHAPS I SHOULD HAVE
22 ASKED THIS QUESTION A LITTLE BIT DIFFERENTLY, SO I
23 APOLOGIZE. I'M GOING TO FOCUS NOW INSTEAD ON HEAD
24 COUNT.

25 SO LET'S ASSUME WE FILLED THE THREE

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1 POSITIONS THAT YOU'RE CURRENTLY HIRING FOR. NOW YOU
2 WANT TO ADD TEN NEW PEOPLE. SO FROM MY POINT OF
3 VIEW, THERE'S ONLY TWO REASONS YOU WOULD ADD MORE
4 PEOPLE. ONE IS YOU DON'T HAVE ENOUGH RIGHT NOW.
5 YOU'RE DOING MORE WORK THAN YOUR CURRENT HEAD COUNT
6 ALLOWS FOR. YOU'VE GOT TO LIGHTEN UP THE BURDEN ON
7 PEOPLE. OR THE OTHER IS YOU EXPECT THAT A LOT MORE
8 WORK IS COMING IN. SO 10 OVER 50 IS AN INCREASE OF
9 20 PERCENT, WHICH IS A PRETTY HEFTY INCREASE IN HEAD
10 COUNT. AND YOU CAN HAVE SOME OF BOTH.

11 SO HOW HAD YOU THOUGHT ABOUT ADDING THOSE
12 ADDITIONAL HEAD COUNT? IS IT WE JUST DON'T HAVE
13 ENOUGH PEOPLE ON BOARD RIGHT NOW, OR WE ARE
14 EXPECTING A REAL RAMP-UP IN ACTIVITY TO THE
15 NEIGHBORHOOD OF 20 PERCENT, OR IS IT MIX AND MATCH?

16 DR. MILLAN: MAY I RESPOND TO THAT?

17 CHAIRMAN ROWLETT: YES.

18 DR. MILLAN: SO INTERNALLY OUR PROCESS,
19 OUR BUDGETING PROCESS, IS AN ITERATIVE PROCESS THAT
20 INCLUDES MULTIPLE STEPS THAT POUNEH AND HER TEAM
21 DRIVE. A COMPONENT OF THAT IS THAT THE LEADERS OF
22 EACH TEAM, ACCORDING TO WHAT IS SET FORTH IN FRONT
23 OF THEM IN TERMS OF THE ACTIVITIES FOR THE YEAR,
24 AGAIN DRIVEN BY STRATEGIC PLAN AND OUR OPERATIONAL
25 NEEDS, CREATES A REQUEST WITH A JUSTIFICATION THAT

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1 COMES TO ME FOR REVIEW FOR THE TYPE OF POSITION,
2 WHAT THE ROLE WOULD BE FOR THAT POSITION, AS WELL AS
3 THE WORKLOAD. AND SOME OF IT GETS AS TANGIBLE AS
4 NUMBERS OF THESE TYPES OF AWARDS PER HEAD THAT
5 USUALLY MANAGES WHAT HAS BEEN THE BENCHMARK TO THIS,
6 WHAT HAS THE INCREASE BEEN THIS YEAR GIVEN THE
7 NUMBER OF REVIEWS AND THE NUMBER OF GRANTS, HOW MANY
8 CONTRACTS WERE THERE THAT ARE UPCOMING BASED ON THE
9 ANTICIPATED REVIEW SCHEDULE AND THE YIELD IN TERMS
10 OF APPLICANTS, THE YIELD IN TERMS OF SUCCESSFUL
11 AWARDS THAT NEED TO BE CONTRACTED, AND KIND OF ALL
12 THE DOWNSTREAM ACTIVITIES ALONG THE WAY.

13 SO THAT THERE IS THAT LEVEL OF
14 JUSTIFICATION THAT COMES IN TO ME FOR REVIEW, AND IT
15 GOES BACK AND FORTH, AND THERE'S A LOT OF DISCUSSION
16 WHERE I HAVE ONE-ON-ONE'S WITH LEADERSHIP IN TERMS
17 OF HOW THEIR TEAMS ARE CONSTRUCTED THE MOST OPTIMAL
18 WAY. AND SO THESE ARE AN ONGOING CONVERSATION. AND
19 AT THE VERY END WE BRING THE MOST VETTED REQUESTS
20 INTO THE BUDGET THAT GETS BROUGHT TO THE FINANCE
21 SUBCOMMITTEE, AND THEN WE HAVE ANOTHER ROUND OF
22 DISCUSSIONS WITH THE FINANCE SUBCOMMITTEE. WE TEST
23 OUR ASSUMPTIONS IN TERMS OF THESE TYPE OF POSITIONS
24 AND FOR WHAT AND ALL THAT, AND THEN THROUGH THAT
25 THERE IS ANOTHER SET OF DISCUSSIONS IN TERMS OF DOES

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1 IT LOOK REALISTIC THAT WE HIRE ALL OF THESE
2 POSITIONS AND ANOTHER SET OF NEGOTIATIONS PERHAPS
3 WITH THE INTERNAL TEAM TO SEE WHAT THEY CAN MANAGE
4 AND COULD THESE BE DELAYED BY HALF A YEAR, COULD IT
5 BE DELAYED BY A YEAR, DO YOU REALLY NEED IT NOW
6 ACCORDING TO. THAT IS SOMETHING THAT GOES ON
7 THROUGH SEVERAL MONTHS DURING THE BUDGET
8 PREPARATION.

9 SO I HOPE THAT EXPLAINS THAT. SO WE DO
10 HAVE IN SOME CASES VERY TANGIBLE, QUANTITATIVE
11 JUSTIFICATIONS ALONG WITH IF THERE ARE COMPLETELY
12 NEW PROGRAMS THAT HAVE A DEMAND THAT WASN'T IN
13 EXISTENCE BEFORE, THAT THE LEADERS OF THE TEAM
14 PROVIDE A JUSTIFICATION FOR THE TYPE OF EMPLOYEES OR
15 PERSONNEL THAT NEED TO BE THERE TO HANDLE THIS NEW
16 PROGRAM.

17 MR. JUELSGAARD: IS THERE A HEAD COUNT
18 CEILING AT CIRM? IS THERE A POINT AT WHICH YOU GET
19 AND YOU CAN'T JUST PLAIN HIRE ANY MORE BECAUSE WE
20 ARE DOING BETTER FOR ONE REASON OR ANOTHER?

21 DR. MILLAN: EIGHTY-FIVE.

22 MR. JUELSGAARD: AND THAT INCLUDES THE
23 AFFORDABILITY AND ACCESSIBILITY?

24 DR. MILLAN: FOR THE ACCESS AND
25 AFFORDABILITY RELATED, ACCESS AND AFFORDABILITY

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1 RELATED ACTIVITIES. SO THE TOTAL HEAD COUNT MAX IS
2 85.

3 MR. JUELSGAARD: SO THIS WOULD BRING YOU
4 TO 60, AND THE HEAD COUNT TOP IS 70, GENERALLY
5 SPEAKING.

6 DR. MILLAN: WE ALREADY HAVE TWO IN THE
7 MED AFFAIRS AND POLICY, AND THEN THERE'S TWO THAT IS
8 BEING REQUESTED FOR THE UPCOMING YEAR. SO AT LEAST
9 FOUR OF THOSE OF THE 60 WOULD BE IN AAWG -- NOT
10 AAWG -- ACCESS AND AFFORDABILITY RELATED COSTS. AND
11 THEN THERE MAY BE SOME ACCESS AND AFFORDABILITY
12 RELATED PERSONNEL THAT ARE NEEDED THAT MAY NOT
13 NECESSARILY SIT ALL IN THE SAME DEPARTMENT, BUT THE
14 MAJORITY OF THEM PROBABLY WOULD BE WITHIN THAT
15 DEPARTMENT AND DEFINITELY RELATED. THERE WOULD BE
16 CROSS-FUNCTIONAL RELATIONS BETWEEN THAT AND OTHER
17 MEMBERS THAT ARE ALSO INVOLVED IN ACCESS AND
18 AFFORDABILITY.

19 MR. JUELSGAARD: OKAY. GREAT. WHEN WE
20 GET TO THE VERY END OF THIS AND WE ARE AT THE TIME
21 OF THE APPENDIX WITH ALL THE SPECIFIC NUMBERS, IF
22 YOU COULD JUST POINT OUT TO ME, BESIDES MEDICAL
23 AFFAIRS, WHERE THE OTHER TWO PEOPLE RESIDE WHERE
24 THEY HAVE SOMETHING TO DO WITH ACCESS AND
25 AFFORDABILITY.

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1 DR. MILLAN: THEY'RE ALL WITHIN MED
2 AFFAIRS RIGHT NOW, STEVE.

3 MR. JUELSGAARD: THAT SHOWS ONLY A HEAD
4 COUNT OF TWO.

5 DR. MILLAN: AND THEN THERE'S TWO BEING
6 ASKED FOR FOR THE UPCOMING FISCAL YEAR, TWO NEW
7 ADDS.

8 MR. JUELSGAARD: I SEE. OH, OKAY. I
9 MISREAD THAT. YEAH. YEAH. YEAH.

10 DR. MILLAN: I WAS ONLY TALKING -- SO I
11 GUESS I SHOULD HAVE COUCHED IT BY SAYING SO FAR
12 THEY'RE ONLY BUDGETED UNDER MED AFFAIRS AND POLICY.
13 BUT I JUST WANTED TO BE MORE --

14 MR. JUELSGAARD: I SEE.

15 DR. MILLAN: OKAY. THANK YOU.

16 MR. JUELSGAARD: THANK YOU.

17 CHAIRMAN ROWLETT: J.T.

18 CHAIRMAN THOMAS: SO, POUNEH, IN THE FIRST
19 BULLET THERE, AND I'M READING ADVISORY WORKSHOPS AS
20 THINGS LIKE THE MANUFACTURING WORKSHOP OR THE CNS
21 WORKSHOP, OR EVEN SOMETHING LIKE THE SCIENTIFIC
22 STRATEGIC ADVISORY PANEL, WHERE IN HERE MARIA WAS
23 REFERENCING MEMBERS OF THE TEAM GOING TO CONFERENCES
24 AND STAYING IN TOUCH WITH THE OUTSIDE WORLD, ET
25 CETERA, ET CETERA. IS THAT INCLUDED IN HERE BECAUSE

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1 IT DOESN'T LOOK LIKE IT IS?

2 MS. SIMPSON: NO.

3 CHAIRMAN THOMAS: AND THEN THE FOLLOW-UP
4 TO THAT IS WHAT SORT OF EXPENSES DO WE ASSUME WE'RE
5 GOING TO HAVE WITH INCREASED PRESENCE IN
6 CONFERENCES, AND WHAT DO WE PLAN ON SPENDING WHILE
7 WE ARE AT THE CONFERENCES, AND ALL THAT SORT OF
8 THING?

9 MS. SIMPSON: SO THE COST OF TRAVEL AND
10 REGISTRATION FOR CONFERENCES IS NOT INCLUDED IN THIS
11 LINE ITEM. THOSE INCREASES WERE, AND I'M HAPPY TO
12 GO BACK TO WHERE WE SHOWED THAT IN TERMS OF THE
13 INCREASES, SO IF YOU LOOK UNDER TRAVEL, WE ARE
14 PROPOSING A BUDGET OF 212,000 IN 22/23. THAT IS
15 WHERE THE TRAVEL TO CONFERENCES IS COUNTED FOR. AND
16 FOR THE REGISTRATION AND MEMBERSHIP TO DIFFERENT
17 ORGANIZATIONS, THAT'S BEING REQUESTED UNDER
18 MEMBERSHIP AND TRAINING, 234,000.

19 CHAIRMAN THOMAS: THANK YOU. AND WHEN AT
20 CONFERENCES, OTHER THAN REGISTRATION, WHAT SORT OF
21 EXPENSES ARE WE ANTICIPATING?

22 MS. SIMPSON: SO WE DO PLAN ON USING -- WE
23 HAVE BUDGETED FOR OUTREACH DOLLARS AT CONFERENCES
24 AND EVENTS.

25 CHAIRMAN THOMAS: WHAT DOES THAT MEAN

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1 EXACTLY?

2 MS. SIMPSON: IT'S PART OF OUR PLAN TO --
3 I'LL LET MARIA ADDRESS THAT.

4 DR. MILLAN: SO I WANT TO DISTINGUISH
5 OUTREACH FROM THE OUTREACH AND COMMUNICATIONS PLAN.
6 SO LET'S TAKE THAT AS A SEPARATE. THAT'S BUDGETED
7 COMMUNICATION UNDER PUBLIC OUTREACH AND
8 COMMUNICATIONS.

9 BUT IN TERMS OF WHAT OUR SCIENTIFIC TEAM
10 AND OUR TEAM DOES IN THESE CONFERENCES, WE EITHER
11 DELIVER TALKS, WE SERVE ON PANELS, WE HAVE
12 INTERACTIONS AND COLLABORATIVE MEETINGS, OUR
13 SCIENTISTS GET ALERTED TO THE MOST KIND OF
14 INNOVATIVE AND NEW SCIENCE THAT'S ON THE HORIZON.
15 THEY INTERACT WITH THOSE SCIENTISTS, AND PERHAPS
16 THEY TRY TO BRING THOSE HIGH QUALITY PROGRAMS IN TO
17 PERHAPS BE CONSIDERED FOR APPLICATION AND FUNDING BY
18 CIRM.

19 WE ALSO DO THINGS SUCH AS HAVE BOOTHS AT
20 THESE CONFERENCES IN THE PRESENTATION AREA SO THAT
21 MEMBERS OF THE SCIENTIFIC COMMUNITY, THE PATIENT
22 COMMUNITY, DEPENDING ON WHAT TYPE OF CONFERENCE IT
23 IS, THE STAKEHOLDERS HAVE AN ABILITY TO THEN
24 INTERACT WITH THE CIRM TEAM. WE SHARE THE PROGRESS.
25 WE SHARE OPPORTUNITIES FROM ALL OF THE VARIOUS

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1 PROGRAMS AND PARTNERSHIP. OUR BUSINESS DEVELOPMENT
2 TEAM IS THERE. THE SCIENTISTS ARE THERE TO INTERACT
3 IN TERMS OF PROGRAM OFFERINGS. OUR COMMUNICATIONS
4 AND PUBLIC OUTREACH TEAM IS THERE RELATED TO PUBLIC
5 OUTREACH AND EDUCATION PROGRAMS.

6 AND THEN WE ALSO EVEN USE THAT OPPORTUNITY
7 TO TRY TO RECRUIT THE BEST TALENT FOR SOME OF OUR
8 PROGRAMS THAT WE WANT TO BRING THROUGH.

9 SO THERE ARE COSTS ASSOCIATED WITH THAT,
10 AND WE ARE VERY -- THIS IS SOMETHING WE DO AT BIG,
11 BIG CONFERENCES, INCLUDING THE ISSCR THAT'S COMING
12 UP AND THE ISCT, INTERNATIONAL SOCIETY FOR CELL
13 TRANSPLANT, MEETING THAT'S COMING UP. AND SO THOSE
14 ARE INCLUDED.

15 BUT REALLY, REGISTRATION, WE ARE TRYING TO
16 BE AS COGNIZANT OF FINANCES WHEN WE HAVE
17 REGISTRATION. WE ARE VERY STRATEGIC ACROSS THE
18 ORGANIZATION IN TERMS OF WHO ATTENDS, WHO ATTENDS
19 VIRTUAL VERSUS WHO ATTENDS IN PERSON AND THE REASON
20 THEY DO. WHEN WE CAN GROUP THE MEMBERSHIP AND GROUP
21 REGISTRATION SO WE CAN HAVE SAVINGS WITH THAT, WE
22 TRY TO DO THAT IN THE WHOLE ORGANIZATION. SO THOSE
23 ARE THE THINGS WE DO IN ORDER TO ENSURE THAT WE ARE
24 CONNECTED WITH THE COMMUNITY, WITH THE SCIENTIFIC
25 COMMUNITY AND THE COMMUNITY AT LARGE.

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1 CHAIRMAN THOMAS: THANK YOU. AND WHERE ON
2 THE OUTREACH STUFF, WHERE ON THE BUDGET IS THAT,
3 LIKE THE BOOTH STUFF? WHERE ARE WE -- WHICH LINE
4 ITEM IS THAT, POUNEH?

5 MS. SIMPSON: SO THAT'S EQUIPMENT AND
6 SUPPLIES IF WE ARE BUYING A BACKDROP OR A BOOTH,
7 STAND, THOSE ARE ALL EQUIPMENT AND SUPPLIES.

8 IN THE 22/23, THE OVERALL EQUIPMENT AND
9 SUPPLIES LINE ITEM IS ACTUALLY GOING DOWN.

10 CHAIRMAN THOMAS: AND ARE WE EXPECTING
11 THAT TO BE A MATERIAL EXPENSE AT THESE CONFERENCES?

12 MS. SIMPSON: MARIA.

13 DR. MILLAN: IT DID NOT. I JUST WANTED TO
14 POINT OUT MARKETING, WE REUSE MARKETING MATERIAL
15 THAT WE HAVE IN OUR ANNUAL REPORT, OUR STRATEGIC
16 PLAN, AND OUR PRESENTATIONS. THAT IS IN THE
17 COMMUNICATIONS BUDGET, THE MARKETING COSTS.

18 MS. SIMPSON: DID WE ANSWER YOUR QUESTION?

19 CHAIRMAN THOMAS: I GUESS SO. I'D LIKE TO
20 SEE MORE OF A BREAKDOWN ON THAT, BUT WE DON'T NEED
21 TO GO INTO THAT RIGHT NOW.

22 MS. SIMPSON: MARIA, DID YOU HAVE ANYTHING
23 ELSE YOU WANTED TO SHARE? YOUR HAND IS STILL UP.

24 ALL RIGHT.

25 SO --

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1 CHAIRMAN ROWLETT: MARIA, IF I COULD, I
2 WANT TO CLARIFY. I UNDERSTAND THAT EVERY DEPARTMENT
3 HAS ITS BUDGET, AND TO QUOTE YOU, YOU USE AN
4 ITERATIVE PROCESS TO DETERMINE WHAT A DEPARTMENT
5 BUDGET SHOULD BE. HOWEVER, ALL THE BUDGETS, AS I
6 APPRECIATE OUR STRATEGIC PLAN, ARE DESIGNED TO
7 ADVANCE THE STRATEGIC PLAN. AND YOU MAKE DECISIONS
8 ABOUT PERSONNEL PLUS OR MINUS BASED ON WHETHER OR
9 NOT YOU'VE ACHIEVED THE DELIVERABLES AS IS LAID OUT
10 IN THE BOARD APPROVED STRATEGIC PLAN, CORRECT?

11 DR. MILLAN: OR THAT WE ARE MAKING SURE
12 THAT WE ARE STAFFED IN ORDER TO ACHIEVE WHAT'S
13 PROPOSED IN THE STRATEGIC PLAN. SO IT'S BOTH
14 ACHIEVING, CONTINUING TO MAKE SURE TO DELIVER ON
15 WHAT'S ACHIEVED IN THE STRATEGIC PLAN AS WELL AS
16 ENSURING THAT WE HAVE THE EXPERTISE AND THE
17 RESOURCES, THE HUMAN RESOURCES, TO SUPPORT THE
18 STRATEGIC PLAN.

19 CHAIRMAN ROWLETT: MY QUESTION IS AN
20 APPROACH QUESTION. THE STRATEGIC PLAN DRIVES THE
21 BUDGET PROCESS. THIS IS WHAT OUR PLAN LAYS OUT.
22 AND SUBSEQUENTLY WE ASK OUR DEPARTMENTS TO DEVELOP
23 BUDGETS THAT WILL ACHIEVE THOSE GOALS. AND IT
24 SOUNDS LIKE YOU'RE SAYING, "OKAY. GOOD. YES.
25 OKAY" VERSUS THE DEPARTMENTS DETERMINING A BUDGET

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1 AND THEN MAKING SURE THAT IT'S ALIGNED WITH THE
2 STRATEGIC PLAN. WE DON'T DO IT THE OTHER WAY. THE
3 STRATEGIC PLAN IS DRIVING THOSE BUDGETS.

4 DR. MILLAN: OH, YES. DEFINITELY. THAT'S
5 OUR GUIDING. AND THE THING IS THERE ARE ALL THESE
6 THINGS ABOUT MAKING SURE THAT WE ARE POSITIONED TO
7 DO THAT. SO THERE'S OPERATIONAL INFRASTRUCTURE
8 REQUIREMENTS IN ORDER TO ACHIEVE THAT. IF WE DON'T
9 HAVE THE RIGHT I.T. SUPPORT, THEN THESE PROGRAMS
10 WILL BE UNABLE TO KIND OF CONTINUE THAT. SO IT'S
11 BOTH DIRECTLY RELATED TO THE STRATEGIC PLAN PROGRAMS
12 ITSELF AS WELL AS OVERALL OPERATIONS AS AN
13 ORGANIZATION IN ORDER TO BE ABLE TO ACHIEVE THE
14 STRATEGIC PLAN.

15 CHAIRMAN ROWLETT: ALSO, JUST A PROCESS
16 COMMENT, THAT THE COMMENTS RELATED TO BUDGET DETAIL
17 AND HOW WE PRESENT THE INFORMATION, I'M HOPING THAT
18 THAT INFORMATION IS GETTING CAPTURED SO THAT, AGAIN,
19 FOR THE COMMITTEE SO THAT THE COMMITTEE CAN MAKE THE
20 KIND OF INFORMED DECISION THAT IT NEEDS TO MAKE.
21 AND SO I'M -- AGAIN, I'M ASSUMING THAT THAT'S A YES,
22 BUT I THINK WE HAVE MORE QUESTIONS, SO I'LL STOP
23 ASKING OR STOP TALKING AND GO BACK TO -- I DON'T
24 KNOW WHO WAS UP FIRST, BUT I SEE MULTIPLE HANDS.

25 MS. BONNEVILLE: HAIFA WAS UP FIRST.

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1 CHAIRMAN ROWLETT: HAIFA, OKAY.

2 DR. ABDULHAQ: I THINK ACTUALLY THE
3 COMMENT I WANTED TO MAKE PROBABLY WAS JUST BROUGHT
4 UP, WHICH IS TO MAKE AN INFORMED DECISION, IF WE CAN
5 HAVE PLEASE MORE OF ITEMIZED BUDGET FOR EACH ONE OF
6 THESE ITEMS THAT ARE LISTED IN THE TABLE. AND I
7 APOLOGIZE IF I'M ASKING SOMETHING THAT IS CONSIDERED
8 LIKE MORE OBVIOUS, BUT I THINK, AS A NEW BOARD
9 MEMBER, FOR ME TO HAVE LIKE A BETTER UNDERSTANDING
10 OF THIS, MAYBE IF WE CAN HAVE EACH ONE OF THESE MORE
11 ITEMIZED AND BROKEN DOWN.

12 CHAIRMAN ROWLETT: STEVEN.

13 MR. JUELSGAARD: I ACTUALLY WANTED TO PICK
14 UP ON WHAT YOU WERE ASKING ABOUT, AL. YOU HAVE TO
15 BE A LITTLE BIT CAREFUL ABOUT HIRING TO A STRATEGIC
16 PLAN IN AND OF ITSELF BECAUSE A PLAN IS SIMPLY THAT.
17 IT'S A PLAN. AND YOU HAVE TO ALSO TAKE INTO ACCOUNT
18 WHAT'S GOING ON IN REAL-TIME. SO YOU MIGHT HAVE A
19 PLAN TO HAVE 50 CLINICAL TRIALS NEXT YEAR THAT WE'RE
20 GOING TO FUND AS AN EXAMPLE. JUST MAKE SOMETHING
21 UP. IT MIGHT SEEM A LITTLE AT THE FRINGE. AND WE
22 WIND UP ONLY WITH 20 BECAUSE WE ARE NOT IN CHARGE OF
23 THAT. RIGHT? I MEAN THIS IS NOT LIKE A BUSINESS
24 WHERE YOU MAKE THE DECISIONS ABOUT HOW MANY CLINICAL
25 TRIALS YOU'RE GOING TO HAVE OR NOT HAVE. WE ARE

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1 EXPECTING THAT BASED ON APPLICATIONS, AND WE DON'T
2 REALLY KNOW. AND SO WE HAVE -- THAT'S WHY LOOKING
3 AT HISTORIC DATA AND TRENDS, FROM MY POINT OF VIEW,
4 IS AN IMPORTANT ASPECT AS WELL TO KIND OF SEE HOW
5 THINGS ARE TRENDING ALONG WITH THE STRATEGIC PLAN
6 BECAUSE OTHERWISE YOU COULD FIND YOURSELF HIRING A
7 BUNCH OF PEOPLE, BUT THEN THINGS JUST DON'T
8 MATERIALIZE THE WAY THAT YOU HAD HOPED THAT THEY
9 WOULD IN THE PLAN BECAUSE YOU'RE NOT TOTALLY IN
10 CONTROL OF THE PLAN AS YOU MIGHT BE IN A COMMERCIAL
11 ORGANIZATION.

12 SO I THINK YOU'VE GOT A LOT OF -- YOU'VE
13 GOT TO DO A LITTLE BIT OF BOTH. YOU'VE GOT TO SAY,
14 WELL, THIS IS OUR PLAN, BUT THEN YOU'VE GOT TO LOOK
15 AT THE HISTORIC TREND DATA, AND YOU MAY HAVE TO
16 INTERPOLATE BETWEEN THE TWO. ANYWAY, THAT'S JUST MY
17 POINT OF VIEW ON THIS WHOLE ISSUE.

18 CHAIRMAN ROWLETT: MARIA.

19 DR. MILLAN: SO IN RESPONSE TO THAT, WE
20 DON'T HIRE IN TERMS OF WHAT WE HOPE WILL HAPPEN. WE
21 DRIVE WHAT'S HAPPENING, AND WHAT WE DO IS WE
22 SEQUENCE IT ALONG WITH WHERE PROGRAMS ARE IN THEIR
23 MATURATION. SO, FOR INSTANCE, THE DEMAND FOR
24 PERSONNEL IS DRIVEN BY THE ACTUAL INCREASE IN
25 NUMBERS OF AWARDS OR THE ACTUAL INCREASE IN NUMBER

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1 OF TRIALS THAT ARE IN THERE. SO WE ARE NOT -- WE
2 ARE HIRING CONSISTENT WITH THE PLAN, BUT WE ARE NOT
3 HIRING AHEAD OF THE PLAN. AND WE ARE KEEPING UP
4 WITH WHAT THE ACTIVITY LEVEL IS RELATED TO THE PLAN,
5 IF THAT MAKES SENSE.

6 THERE ARE SOME COMPONENTS, THOUGH, LIKE,
7 FOR INSTANCE -- SORRY TO INTERRUPT. JUST AS AN
8 EXAMPLE, FOR INSTANCE, THE AAWG-RELATED ACTIVITIES
9 AND THE CREATION OF A ROAD MAP TOWARD ACCESS AND
10 AFFORDABILITY IS A HUGE GOAL WE PUT IN THE STRATEGIC
11 PLAN. AND IT'S KIND OF AN UMBRELLA GOAL. IN ORDER
12 FOR THAT TO BE ACHIEVED, WE NEEDED TO BRING IN
13 SPECIFIC EXPERTISE TO EVEN SORT THROUGH AND WORK
14 WITH AAWG. SO WE HIRED A VICE PRESIDENT OF MEDICAL
15 AFFAIRS AND POLICY. SO THAT ROLE, AGAIN, WAS HIRED
16 CONSISTENT WITH THE PLAN AND WAS A NECESSARY ADD TO
17 EVEN GET STARTED ON THAT COMPONENT OF IT.

18 AND THAT WAS SOMETHING THAT WAS BROUGHT TO
19 THE BOARD FOR A DECEMBER ASK BECAUSE THE PLAN WAS
20 APPROVED, THAT WAS A COMPONENT OF IT, WE KNEW THAT
21 THAT PROGRAM, WE KNEW THINGS WERE STARTING TO
22 ALREADY HAPPEN WITHIN THAT ARENA IN AAWG, SO WE
23 NEEDED A LEADER INTERNALLY FOR THAT POSITION.

24 AS MENTIONED EARLIER, WE ACTUALLY HAVE
25 SOME QUANTITATIVE NUMBERS THAT SUPPORT DIFFERENT

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1 POSITIONS WITHIN THE ORGANIZATION.

2 CHAIRMAN ROWLETT: ALL RIGHT.

3 MR. JUELSGAARD: ART HAS HIS HAND UP.

4 CHAIRMAN ROWLETT: ART.

5 MR. TORRES: I JUST WANTED TO FOLLOW UP ON
6 MARIA'S EXPLANATION FOR ACCOUNTABILITY AND
7 ACCESSIBILITY. THERE ARE THREE PATHWAYS THAT ARE
8 OPERATING NOW, WHICH IS WHY IT WAS SO NECESSARY TO
9 BEEF UP AS MUCH AS WE COULD REALISTICALLY IN TERMS
10 OF STAFF. FIRST OF ALL WAS A PATIENT ASSISTANCE
11 FUND, WHICH I WROTE INTO THE INITIATIVE WITH BOB
12 KLEIN, WHICH MANY OF YOU VOTED ON, TO SUPPORT THAT
13 WE MOVE FORWARD, AND WE ARE MOVING FORWARD WITH THE
14 DEPARTMENT OF FINANCE AND HOPEFULLY IN TIME FOR THE
15 MAY REVISES FOR THE LEGISLATIVE BUDGET PRIOR TO JUNE
16 15. THAT 16 MILLION IS GOING TO BE INTEGRAL TO US
17 ESTABLISHING OUR PRESENCE IN THIS FIELD.

18 THE SECOND ISSUE IS THERE'S LEGISLATION
19 ALREADY MOVING THROUGH THE LEGISLATURE WHICH WILL
20 IMPLEMENT THE GOVERNOR'S INITIATIVE, HE AND I HAVE
21 TALKED ABOUT THIS, IN TERMS OF HIS OWN OFFICE OF
22 ACCOUNTABILITY, WHICH HE'S VERY SUPPORTIVE OF OUR
23 EFFORTS AS WELL. SO WE WANTED TO MAKE SURE THAT
24 WHATEVER STAFF WE BEGIN TO HIRE, IT'S ABLE TO
25 COORDINATE WITH THE EXECUTIVE BRANCH IN RESPECT TO

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1 WHAT THEIR AGENDA IS AND WHAT THEIR GOALS MAY BE SO
2 THAT WE ARE CONSISTENT ALL IN RESPECT TO THE
3 PATIENT. I THINK THAT'S IMPORTANT.

4 SO SOMETIMES -- STEVE, I REALLY RESPECT
5 WHAT YOU SAID ABOUT THE STRATEGIC PLAN. SOMETIMES
6 THEY DON'T WORK OUT, BUT IN THIS CASE THE AGENDA IS
7 SO LARGE FOR THE ACCOUNTABILITY ISSUE BECAUSE IT'S
8 NOT ONLY COMING FROM US, BUT ALSO WITH INITIATIVES
9 FROM THE LEGISLATURE, SO THE CHAIRMAN OF THE
10 ASSEMBLY HEALTH COMMITTEE, DR. WOOD, WHO ALSO LIVES
11 IN THE WINE COUNTRY. THANK YOU.

12 CHAIRMAN ROWLETT: ALL RIGHT. MARIA, IS
13 THAT A RESIDUAL HAND? YOU HAVE SOMETHING ELSE YOU
14 WANT TO ADD?

15 DR. MILLAN: I WANTED TO JUST RESPOND TO
16 OR ASK THE BOARD ABOUT THE LEVEL OF DETAIL. I JUST
17 WANTED TO MAKE SURE THAT EVERYBODY REFERRED TO THE
18 DEPARTMENT LEVEL BUDGETS BECAUSE THE DETAILS IN
19 TERMS OF WHERE, WHAT AREAS THESE VARIOUS CATEGORIES
20 FEED INTO THESE VARIOUS CATEGORIES IN THIS
21 CUMULATIVE BUDGET COMES FROM THERE. HAIFA, YOU HAD
22 ASKED THAT QUESTION. SO IF YOU LOOK AT THE
23 DEPARTMENTAL LEVEL, AND THEN WITHIN DEPARTMENTS, IF
24 THERE ARE SPECIFIC QUESTIONS, WE CAN ADDRESS THAT.
25 BUT I JUST WANTED TO MAKE SURE THAT YOU HAD THAT AT

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1 YOUR DISPOSAL. THANK YOU.

2 DR. ABDULHAQ: GREAT. THANK YOU.

3 CHAIRMAN ROWLETT: OKAY. POUNEH.

4 MS. SIMPSON: SO I'LL JUST CONTINUE. WE
5 TALKED ABOUT THE MAJOR DRIVERS OF THE INCREASE. I
6 THINK WE ARE AT THIS SLIDE WITH SOME OF THE
7 FACILITIES COSTS IN THE NEXT FISCAL YEAR. THERE'S A
8 DECREASE IN MOVE AND RENOVATION RELATED COSTS, AND
9 THERE'S A DECREASE IN CONTINGENCY MOVE CONTRACTS FOR
10 A REDUCTION OF 201,000. SO THAT'S THE MAJOR
11 DRIVERS.

12 I WOULD LIKE TO JUST ACKNOWLEDGE THAT,
13 WHILE WE ACTIVELY MANAGE COSTS AND MAINTAIN
14 EXPENSES, THERE ARE EXTERNAL FACTORS THAT COULD
15 AFFECT OUR PROJECTED BUDGET PLAN. SO ONE, THE
16 OFFICE MOVE, ONE, RECRUITMENT AND PERSONNEL GROWTH,
17 AND, FINALLY, THE PANDEMIC AND THE UNKNOWN IMPACT
18 IT'S GOING TO HAVE IN FUTURE MEETINGS, TRAVEL, AND
19 WORK-RELATED ACTIVITIES. IT LOOKS LIKE THINGS ARE
20 OPENING UP AGAIN. SO WE ARE ANTICIPATING MORE
21 IN-PERSON MEETINGS, BUT THAT IS A FACTOR THAT COULD
22 IMPACT OUR FUTURE BUDGET.

23 AND SO IN SUMMARY, THE CIRM TEAM IS
24 REQUESTING THAT THE ICOC APPROVE THE 22/23 FISCAL
25 YEAR BUDGET AT \$26.2 MILLION. AND I'M GOING TO END

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1 IT WITH THIS CHART WHICH SHOWS ALL THREE OF THE DATA
2 POINTS THAT WE'VE BEEN TALKING ABOUT: THE APPROVED
3 21/22 BUDGET, THE ESTIMATED TO FINISH FOR 21/22, AND
4 THEN THE BUDGET REQUEST FOR 22/23. AND I'M HAPPY TO
5 TAKE ANY ADDITIONAL QUESTIONS ON THAT BUDGET.

6 CHAIRMAN ROWLETT: WE'VE HEARD A LOT OF
7 DISCUSSION ABOUT ADDITIONAL INFORMATION THAT WOULD
8 BE NECESSARY IN ORDER TO MAKE AN INFORMED DECISION.
9 AND SO I DON'T WANT TO ACT LIKE THAT THAT'S NOT PART
10 OF WHERE WE ARE, BUT WANTED TO GET A SENSE FROM THE
11 COMMITTEE ABOUT THAT. AND MAYBE IF YOU HAVE
12 ADDITIONAL QUESTIONS, YOU COULD ALSO INCLUDE IN YOUR
13 QUESTIONS HOW YOU'D LIKE TO PROCEED IN TERMS OF THIS
14 FINAL SLIDE AND ADDITIONAL INFORMATION.

15 DR. VUORI: I'M CERTAINLY FINE WITH THE
16 PRESENTATION ON WHAT IS BEING PROPOSED HERE. I
17 THINK MY COMMENTS, AT LEAST, WERE SORT OF ADVICE FOR
18 THE FUTURE, BUT I DON'T HAVE ANY REASON TO BELIEVE
19 THAT THIS IS NOT A WELL THOUGHT OUT BUDGET AS
20 ALWAYS.

21 CHAIRMAN ROWLETT: THANK YOU, KRISTINA.
22 J.T.

23 CHAIRMAN THOMAS: SO, POUNEH, JUST WANTED
24 TO ASK SOMETHING WE DISCUSSED. ADMINISTRATIVE
25 BUDGET HAS TO BE SORT OF SEEN IN THE CONTINUUM OF

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1 WHAT CIRM IS GOING TO BE DOING IN THE YEARS AHEAD
2 AND IS TIED INEXTRICABLY TO THE RESEARCH BUDGET,
3 WHICH WILL BE TAKEN UP UNDER SEPARATE COVER. THE
4 AMOUNT THAT'S BUDGETED HERE, ARE WE COMFORTABLE
5 THAT, GIVEN HOW LONG WE PLAN THE RESEARCH BUDGET TO
6 PLAY OUT, THAT THIS NUMBER AND NUMBERS THAT WILL
7 FOLLOW IN ENSUING YEARS, THERE WILL BE AN ADEQUATE
8 AMOUNT TO APPORTION TO ADMINISTRATION TO COVER IT,
9 WHICH WAS AN ISSUE THAT WE HAD AS WE WOUND DOWN
10 TOWARDS THE END OF THE PROP 71 ERA?

11 MS. SIMPSON: SO WE DO TAKE THAT INTO
12 CONSIDERATION. WE DO PROJECT OUT BASED ON THE LAST
13 ICOC APPROVED BUDGET ON AN ANNUAL BASIS, BUILDING IN
14 SOME INCREASES. AND AS IT STANDS NOW, WE HAVE
15 ENOUGH FUNDING TO CARRY US FOR APPROXIMATELY 15
16 YEARS.

17 CHAIRMAN THOMAS: AND THAT'S BASED ON THE
18 ASSUMPTION OF HOW LONG TO SPEND THE RESEARCH BUDGET?

19 MS. SIMPSON: TWELVE.

20 DR. MILLAN: MAY I JUST -- I'VE BEEN HERE.
21 I JUST WANT TO MAKE SURE THAT THESE NUMBERS ARE NOT
22 CONSIDERED OFFICIAL NUMBERS. THESE ARE JUST
23 GUESSTIMATES. WE KNOW THAT THE PROPOSITION PROVIDES
24 FOR TEN YEARS, BUT I THINK WE ARE VERY -- WE FEEL
25 VERY COMFORTABLE. SO WE DID A BUNCH OF SCENARIOS,

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1 AND IT LOOKS LIKE THAT IS SOMETHING THAT COULD
2 HAPPEN, BUT I WANT TO MAKE SURE THAT WE ARE CAREFUL
3 ABOUT NOT PUTTING A TIME HERE BECAUSE THERE ARE A
4 LOT OF THINGS, DEPENDING ON HOW THE STRATEGIC PLAN
5 ROLES OUT, DEPENDING ON WHAT THE NEXT SET -- THE
6 YEAR FIVE- TO TEN-YEAR STRATEGIC PLAN LOOKS AND WHAT
7 HAPPENS.

8 BUT WE KNOW THAT, BASED ON THE STRUCTURE
9 OF THE PROPOSITION AND THE PROPOSED RESEARCH BUDGET
10 THAT IS BUILT INTO THE PROPOSITION, THAT, IF WE
11 FOLLOW THAT STRUCTURE, THAT THAT, ALONG WITH A
12 PROVIDED ADMINISTRATIVE BUDGET TO SUPPORT THESE
13 ACTIVITIES, WILL CARRY US THROUGH THE TEN-YEAR
14 PERIOD EVEN WITH VERY AGGRESSIVE ACTIVITIES.

15 CHAIRMAN ROWLETT: THANK YOU. STEVE.

16 MR. JUELSGAARD: THIS PARTICULAR SLIDE
17 THAT'S ON THE SCREEN NOW IS REALLY FOR ME THE CENTER
18 POINT OF A BUDGET PRESENTATION. THIS LINES UP WITH
19 WHAT MICHAEL WAS TALKING ABOUT MUCH EARLIER ON.
20 IT'S REALLY LOOKING AT WHAT YOU SPENT LAST YEAR AND
21 WHAT YOU'RE THINKING ABOUT SPENDING IN THE NEXT
22 YEAR. IT'S THOSE -- THE DIFFERENCE BETWEEN THE TWO
23 THAT YOU LOOK AT AND TRY TO UNDERSTAND THOSE
24 DIFFERENCES, WHAT'S CAUSING THEM, WHAT'S LEADING TO
25 THEM, LOOKING AT THE VARIANCES, ET CETERA, LOOKING

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1 AT A PRIOR YEAR'S BUDGET IS FOR ME OF NOT MUCH
2 VALUE. THAT WAS WHAT YOU THOUGHT YOU WERE GOING TO
3 SPEND, BUT IT'S REALLY WHAT YOU DID SPEND THAT IS, I
4 THINK, THE IMPORTANT STARTING POINT AND THEN YOU GO
5 FROM THERE TO WHAT YOU THINK YOU ARE GOING TO SPEND
6 THIS YEAR.

7 SO I'M JUST REPEATING MYSELF, BUT I WOULD
8 RECOMMEND THAT IN FUTURE BUDGET PRESENTATIONS THAT
9 WE RETAIN A SLIDE LIKE THIS EXCEPT ADDING THE
10 VARIANCES BETWEEN THE PAST FISCAL YEAR AND THE
11 COMING FISCAL YEAR.

12 CHAIRMAN ROWLETT: DULY NOTED. I THINK
13 WITH THE NODDING OF THE HEADS, EVERYBODY HAS GOT
14 THAT POINT. THANK YOU. ADDITIONAL QUESTIONS?
15 MARIA, I DON'T SEE ANY ADDITIONAL QUESTIONS. AND
16 THAT'S MARIA BONNEVILLE WHO'S HELPING ME.

17 MS. BONNEVILLE: NO. THERE'S NO HANDS
18 RAISED.

19 CHAIRMAN ROWLETT: AND IS THERE ANY PUBLIC
20 COMMENT OR QUESTIONS?

21 MS. BONNEVILLE: I THINK WE SHOULD GET A
22 MOTION ON THE TABLE NOW.

23 CHAIRMAN ROWLETT: OH, I'M SORRY. MY
24 APOLOGIES. IT'S BEEN A LONG MEETING.

25 MS. BONNEVILLE: IT SURE HAS.

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1 CHAIRMAN ROWLETT: I THINK THERE WAS A
2 MOTION BY STEVE JUELSGAARD.

3 MR. JUELSGAARD: MOVE APPROVAL, YES.

4 MR. TORRES: SECOND.

5 CHAIRMAN ROWLETT: SECOND BY ART. ALL
6 RIGHT. MARIA.

7 MS. BONNEVILLE: NOW IT'S PUBLIC COMMENT.
8 AND WE DID HAVE PUBLIC COMMENT THAT WAS SUBMITTED
9 VIA EMAIL. I'M GOING TO JUST READ THAT QUICKLY IF I
10 CAN FIND IT. THAT WOULD BE HELPFUL. HERE WE GO.
11 THE FIRST ONE, THE I.T. DEPARTMENT IS SET FOR A 1.3
12 MILLION BUDGET FOR EQUIPMENT AND SUPPLIES.
13 SPECIFICALLY WHAT ARE THE MOST COSTLY ELEMENTS IN
14 THAT BUDGET?

15 TWO, LEGAL AND PUBLIC OUTREACH BOTH HAVE
16 BIG EXTERNAL SERVICE BUDGETS. WHAT ARE THE MOST
17 COSTLY IN THOSE BUDGETS?

18 THREE, DOES CIRM ANTICIPATE A REBUDGET
19 COME NOVEMBER OR DECEMBER? HOW MUCH IS ANTICIPATED
20 FOR SPENDING ON THE AGENCY'S NEW AFFORDABILITY AND
21 ACCESSIBILITY PROGRAMS?

22 AND THESE WERE REQUESTED BY DAVID JENSEN.

23 MR. JUELSGAARD: CAN YOU JUST COME BACK
24 AND DO THOSE ONE AT A TIME?

25 MS. BONNEVILLE: I SURE CAN.

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1 FIRST ONE, THE I.T. DEPARTMENT IS SET FOR
2 A \$1.3 MILLION BUDGET FOR EQUIPMENT AND SUPPLIES.
3 SPECIFICALLY WHAT ARE THE MOST COSTLY ELEMENTS IN
4 THAT BUDGET?

5 CHAIRMAN ROWLETT: AND ASSUMING THAT,
6 POUNEH AND MARIA, YOU WILL INITIATE FORAY INTO
7 ANSWERING THESE QUESTIONS?

8 MS. SIMPSON: YES. SO FOR THE I.T.
9 BUDGET, THERE'S FOUR FACTORS THAT ARE THE MAJOR
10 DRIVERS. THE FIRST IS THAT IN THE PERFORMANCE AUDIT
11 THERE WERE SOME THINGS IDENTIFIED, FOR EXAMPLE,
12 DOCUMENT MANAGEMENT AND HAVING AN ELECTRONIC SYSTEM.
13 SO THAT'S INCLUDED.

14 AS PART OF THE COMPLIANCE REQUIREMENTS, WE
15 BUILT IN SOME OF THESE SUCH AS ADA COMPLIANCE OF OUR
16 PUBLICLY FACING DOCUMENTS AND MODIFYING THEM TO ADA
17 COMPLIANT.

18 THERE'S SOME OPERATIONAL NEEDS RELATED TO
19 THE RAMP-UP WHICH INCLUDE STAFF LICENSES AND
20 EQUIPMENT FOR THE NEW STAFF WE ARE REQUESTING.

21 AND, FINALLY, THERE'S SOME FUNDS BUILT IN
22 FOR MOVE TO THE NEW HEADQUARTERS. THOSE ARE THE
23 KIND OF BIG STUFF, AND THEN THERE'S THE USUAL
24 SOFTWARE COSTS AND THINGS LIKE THAT.

25 CHAIRMAN ROWLETT: ANY ADDITIONAL COMMENTS

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1 FROM ANY OF THE MEMBERS OF THE COMMITTEE? HOW ABOUT
2 QUESTION TWO, MARIA?

3 MS. BONNEVILLE: LEGAL AND PUBLIC OUTREACH
4 BOTH HAVE BIG EXTERNAL SERVICES BUDGETS. WHAT ARE
5 THE MOST COSTLY ELEMENTS IN THOSE BUDGETS?

6 MS. SIMPSON: SO WITH REGARDS TO THE LEGAL
7 CONTRACT, THIS IS THE AMOUNT NEEDED FOR LEGAL
8 SUPPORT TO SUPPLEMENT THE SKILL SET THAT WE HAVE
9 IN-HOUSE FOR SPECIALTY AND BOARD RELATED WORKLOAD.
10 AND JUST TO POINT OUT, ACTUALLY WHAT WE ARE ASKING
11 FOR IS LOWER THAN WHAT WE HAD ASKED FOR IN THE PAST.

12 AND IN TERMS OF THE COMM, THE PUBLIC
13 OUTREACH, WE HAVE SEVERAL THINGS THAT ARE DRIVING
14 THIS. ONE IS COMMUNITY OUTREACH AND A CONSULTANT TO
15 DEVELOP THE COMMUNITY OUTREACH AND EVENTS CONSISTENT
16 WITH THE OUTREACH THAT'S STATED IN THE STRATEGIC
17 PLAN.

18 AND THEN THE CONSOLIDATION OF ALL OF OUR
19 CONTRACTS RELATED TO MARKETING AND WEBSITE
20 DEVELOPMENT AND DESIGN THAT HAVE BEEN IN OTHER COST
21 CENTERS, WE ARE JUST PUTTING THEM MORE IN HERE. SO
22 IT LOOKS LIKE IT'S AN INCREASE, BUT REALLY IT'S JUST
23 MOVING THEM FROM OTHER COST CENTERS SO THAT THEY'RE
24 ALL SHOWING UP UNDER COMMUNICATIONS.

25 CHAIRMAN ROWLETT: ANY ADDITIONAL COMMENTS

BETH C. DRAIN, CA CSR NO. 7152

1 FROM MEMBERS OF THE COMMITTEE? ALL RIGHT. THE
2 THIRD QUESTION, MARIA.

3 MS. BONNEVILLE: DOES CIRM ANTICIPATE A
4 REBUDGET COME NOVEMBER OR DECEMBER?

5 MS. SIMPSON: SO AT THIS POINT WE DON'T
6 ANTICIPATE IT. WE WILL REEVALUATE AFTER THE FISCAL
7 YEAR STARTED. AND IF WE HAVEN'T BUDGETED FOR
8 SOMETHING THAT'S CRITICAL, WE WILL CERTAINLY REACH
9 OUT.

10 CHAIRMAN ROWLETT: I'D LIKE TO MAKE A
11 COMMENT ABOUT THAT. I THINK THAT GIVEN THE UNIQUE
12 TIMES THAT WE ARE IN, AND NOTICE I DIDN'T SAY
13 UNPRECEDENTED, THAT WE'VE ALL LEARNED THAT WE HAVE
14 HAD TO AT TIMES MAKE ADJUSTMENTS IN HOW WE DO THE
15 WORK THAT WE DO BECAUSE OF THAT.

16 AND SO A SPECIAL NOTE, YOU NOTED THAT IN
17 YOUR PRESENTATION, AND I APPRECIATED THAT COVID HAS
18 CHANGED HOW WE DO OUR WORK TREMENDOUSLY.

19 ANY OTHER COMMENTS?

20 MS. BONNEVILLE: THERE'S ONE MORE
21 QUESTION. HOW MUCH IS ANTICIPATED FOR SPENDING ON
22 THE AGENCY'S NEW AFFORDABILITY AND ACCESSIBILITY
23 PROGRAMS?

24 MS. SIMPSON: SO THIS IS A PROGRAM THAT
25 FORMED THIS YEAR AS PART OF THE MID-YEAR BUDGET. SO

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1 IT WAS PARTIALLY FUNDED THIS YEAR. SO THE 22/23
2 COSTS REFLECT THE FULL YEAR COSTS OF THE TWO
3 POSITIONS THAT WERE BUILT IN THIS YEAR WITH ADDITION
4 OF TWO ADDITIONAL POSITIONS THAT WE ARE REQUESTING.
5 AND THERE IS ALSO SOME CONSULTANT DOLLARS RELATED TO
6 WORKSHOPS AND MEETINGS RELATED TO THE STRATEGIC PLAN
7 AND CONCEPT DEVELOPMENT IN THIS COST CENTER. SO I
8 THINK THE OVERALL BUDGET IS 1.4.

9 MR. JUELSGAARD: 1.5.

10 MS. SIMPSON: 1.5. 1.5 MILLION.

11 CHAIRMAN ROWLETT: ANY ADDITIONAL
12 QUESTIONS OR COMMENTS FROM MEMBERS OF THE COMMITTEE?
13 ALL RIGHT. HEARING NONE, MARIA, WAS THERE
14 ADDITIONAL PUBLIC COMMENT OR QUESTIONS?

15 MS. BONNEVILLE: THERE IS NO OTHER PUBLIC
16 COMMENT.

17 CHAIRMAN ROWLETT: ALL RIGHT. WE HAVE A
18 MOTION AND A SECOND. WE HAVE HAD A THOROUGH
19 DISCUSSION TODAY. MARIA, CALL THE ROLL.

20 MS. BONNEVILLE: HAIFA ABDULHAQ.

21 DR. ABDULHAQ: YES.

22 MS. BONNEVILLE: STEVE JUELSGAARD.

23 MR. JUELSGAARD: YES.

24 MS. BONNEVILLE: SHLOMO MELMED. JOE
25 PANETTA.

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1 MR. PANETTA: YES.

2 MS. BONNEVILLE: AL ROWLETT.

3 CHAIRMAN ROWLETT: YES.

4 MS. BONNEVILLE: MICHAEL STAMOS.

5 DR. STAMOS: YES.

6 MS. BONNEVILLE: JONATHAN THOMAS.

7 CHAIRMAN THOMAS: YES.

8 MS. BONNEVILLE: ART TORRES.

9 MR. TORRES: AYE.

10 MS. BONNEVILLE: KRISTINA VUORI.

11 DR. VUORI: YES.

12 MS. BONNEVILLE: THANK YOU. THE MOTION
13 CARRIES.

14 MR. TORRES: I JUST WANT TO SAY THANK YOU
15 TO AL AND TO THE STAFF. I KNOW HOW HARD IT WAS TO
16 PUT THIS EFFORT TOGETHER AND SO TREMENDOUS
17 CHALLENGES. SO THANK YOU ALL.

18 CHAIRMAN ROWLETT: AS YOUR INTREPID
19 VOLUNTEER, I APPRECIATE THAT ACKNOWLEDGEMENT, ART.
20 IF I CAN MAKE A GENTLEMAN IN IOWA CHUCKLE, ONE OF MY
21 FAVORITE PLACES TO BE IN THE MIDWEST, THEN I'M DOING
22 WELL TODAY. SO IT'S A DELIGHT. AND I ALSO WANT TO
23 ACKNOWLEDGE TO ALL OF YOU. I APPRECIATE YOUR
24 THOROUGHNESS, YOUR DILIGENCE, AND YOUR QUESTIONS.
25 IT IS VERY HELPFUL.

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1 WITHOUT ANYTHING ELSE FROM THE COMMITTEE,
2 ANY OTHER ADDITIONAL QUESTIONS, I DON'T KNOW -- WE
3 ARE A COMMITTEE. I DON'T KNOW WHAT THE RULES ARE.
4 DO WE HAVE TO MAKE A MOTION TO ADJOURN?

5 MS. BONNEVILLE: NO. JUST ADJOURN.

6 CHAIRMAN ROWLETT: WE ARE ADJOURNED.

7 (THE MEETING WAS THEN CONCLUDED AT 2:14 P.M.)
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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 FINANCE SUBCOMMITTEE OF THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD ON APRIL 26, 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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