

#####NOT YET APPROVED#####

Minutes for the December 4th, 2006 Governance Subcommittee Meeting

Genoptix, Inc. 3398 Carmel Mountain Road San Diego, CA 92121	Stanford University Clark Center Room S362 318 Campus Drive Stanford CA, 94305	2121 Avenue of the Stars Room 160 Los Angeles, CA 90067
UC Davis Medical Center Cancer Breakout Room 4501 X Street Sacramento, CA 95817	USC, Keck School of Medicine 1975 Zonal Ave KAM 505 Los Angeles, CA 90033	UC Irvine Bldg 837, Rm 1101 Health Science Road Irvine, CA 92697
Cedars-Sinai Medical Center 8700 Beverly Blvd. Davis Bldg., Room G 146 Los Angeles, CA 90048	CIRM 210 King Street San Francisco, CA 94107 823 Guerrero Street San Francisco, CA 94110	Salk Institute 6th floor, Presidents Office North Building 10010 N. Torrey Pines Road La Jolla, CA

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

Sherry Lansing convened the meeting, took roll call, and turned first to Agenda Item 3.

Agenda Item #3: Approval of minutes from March 30th and May 19th

Minutes were unanimously approved.

Agenda Item #4: President's Report

President Zach Hall reminded the committee that the Scientific and Medical Review Working Group reviewed and evaluated 232 [SEED] grants and the Bond Anticipation Note and General Fund loan funds were deposited successfully into CIRM accounts this past week.

President Hall then reported two new science officers who have been hired at CIRM: Dr. Ruth Globus and Dr. Kumar Hari, and a new Grants Technical Assistant, Maybel Cortez. He reported that an offer had been made to a Facilities officer and a search for a Chief Legal Officer had been activated.

The next item President Hall discussed was CIRM Space Policy. CIRM has three different types of office: those with windows, those that are internal, and those that are open, and assignment is linked to position. In some cases the number of people at a particular level may exceed the number of offices of a particular type and the President will consult with relevant Supervisor to make that determination.

Doctor Hall then described the rigorous and demanding review of CIRM operations by the state audit office which has resulted in at least two suggestions for an amended Policy for Contracting and Services of Independent Consultants and Policy for CIRM and Working group travel.

Agenda Item #5: Consideration of all proposed amendments to the Policy for Contracting and Services of Independent Consultants

Lori Hoffman, CFAO, presented the a new Policy for Contracting and Services of Independent Consultants: for any contracts less than \$15,000, the responsible administrative official shall determine that payment is reasonable for the services to be performed; contracts between \$15,000 and \$50,000 will need to be competitively bid verbally; contracts over \$50,000 will need to be competitively bid in written format.

Suggested changes: the President can approve independent consulting contracts of up to \$250,000; and the Governance Subcommittee would be the approval authority for anything between \$250,000 and \$500,000; and the ICOC will need to approve any contract over \$500,000.

Thirdly, Lori Hoffman suggest a change in reporting requirements to quarterly and defining “responsible administrative official” as the President or Chief Financial and Administrative Official. In response to a question from David Serrano Sewell, Lori describes the equivalent delegated authority for all contract approval by Chancellors at the University of California.

Marcy Davies described a comparator with the state government for the Executive Director of the Board of Equalization who has authority up to \$1 million.

Mr. Simpson (member of the public) expresses approval for the suggestions but hopes for a greater reporting frequency on contracts than quarterly.

The Subcommittee decides that reporting at every meeting is preferable with the option to revert to quarterly in the future.

Motion: Brian Henderson moves approval of policy suggestions by Lori Hoffman with reporting on contracts at every meeting. Tina Nova: second.

The subcommittee unanimously approved this motion.

Agenda Item #6: Consideration of Amendments to the 2006-2007 CIRM Administrative Operating Budget

Lori Hoffman began with a discussion of how staff has arrived at the allocation of funds available for CIRM Grant making after accounting for general and research administration expenses and capitalized interest costs.

Lori Hoffman then presented a revised 2006-2007 CIRM Administrative Operating Budget accounting for the receipt of new (loan and BAN) funds.

Claire Pomeroy asked for clarification on the \$809,000 external contract in the Science Office and the external contracts figure \$919,000 in the Office of the President.

For the Science office, the external contracts comprise the grant management system and the strategic plan, and for the Office of the President, part (\$550) is the Remcho Johansen and Purcell (legal) contract as well as all of the Attorney General’s contract and the internal counsel costs, as well as the costs of an online publication.

David Serrano Sewell asked for clarification on the additional \$35,000 for the Facilities working group if whether that anticipates a symposium or conference. President Hall indicated it was not planned in the budget and that this will be an item of discussion in the future with the working group.

Bob Klein asked for clarification on the \$65,000 in external contracts for the Office of the Chair, and Lori Hoffman responded that it accounted for \$50,000 for Nielsen Merskamer

and \$15,000 for temporary help, excluding an administrative plan to support ICOC patient advocates.

John Simpson (member of the public) asked for clarification on the online publication costs and for the amount of the stem cell gala held in May 2006 CIRM anticipates receiving. President Hall suggested he would like to discuss the online publication at the next ICOC meetings and anticipates receiving \$250,000 from the stem cell gala funds.

David Serrano Sewell asked whether \$15,000 for temporary help is enough money through the end of the fiscal year, and President Hall responded this was the amount necessary to support Joan Samuelson; an item later in the same meeting will deal with other administrative needs of the ICOC members.

Motion: Claire Pomeroy moved approval amended budget as presented by Lori Hoffman. Tina Nova: second.

The subcommittee unanimously approved this motion.

Agenda Item #8: Consideration of Governance Subcommittee Mission Statement and Standing Orders including delegation of authority for future CIRM travel policies

Motion: Claire Pomeroy moved approval for delegated authority to the Governance Subcommittee for all CIRM staff and Working Group member travel policy. Tina Nova: second.

The subcommittee unanimously approved this motion.

Agenda Item #7: Consideration of proposed amendments to the Policy and Regulations Governing Travel for CIRM staff and Working Group members

Lori Hoffman introduced the item by describing that these new policies—for CIRM Staff and Working Group members only—follows largely the UC Policy, with clarifications in the previous policy. Those exceptions include: that state rates will need to be exhausted first before seeking any coach refundable tickets and that it would be an exception for a staff or working group member to fly business class. All of the exceptions dictate that CIRM Staff and Working group members would always seek the least possible cost of travel.

Robert Klein asked if there were a reason the suggested travel policy omitted Orange County to San Diego or San Francisco for eligible surface-air locations.

Motion: David Serrano Sewell moved approval. Claire Pomeroy: second.

Agenda Item #8 Consideration of Governance Subcommittee Mission Statement and Standing Orders including delegation of authority for future CIRM travel policies

Lori Hoffman introduced this information item to inform the subcommittee that staff will revise the document for submission for ICOC approval in the future.

Agenda Item #9: Consideration of administrative support for patient advocates of the ICOC

Robert Klein described the problem that ICOC patient advocate members carry an undue burden with the most memberships of any constituency on the ICOC. Staff suggested to Robert Klein that administrative needs of patient advocates could be met by a temp service, but Robert Klein said highly inconsistent as to quality and the level of confidentiality and potential conflicts of interest. The other option that has been discussed is a fixed allowance—up to \$1500 a month to be used to pay a part-time assistant, except for Vice-Chairs of committees where the amount would jump to \$2000.

David Serrano Sewell suggested that projected calendar for 2007 is 20-30 meetings and expressed strong support for a program of institutional support for patient advocates.

Richard Murphy expressed a concern that all ICOC Members are volunteers, despite being supportive of assisting patient advocates in meeting their work burden. Speaking as an ICOC member with institutional support, Richard Murphy describes the roles his assistant plays in “supporting” his ICOC duties: printing email documents and delivering them, as well as scheduling.

Robert Klein suggested that the grant review paper flow alone for patient advocates is substantially greater than other board members.

Oswald Steward expressed a concern about the management of this administrative support being directed through CIRM

Claire Pomeroy said she was a strong supporter of patient advocate support, but that the plan would cost \$200,000 if multiplied out. Would it be more cost-effective to hire two additional full-time people at CIRM who would be helpful to patient advocates?

Robert Klein said that due to cuts in the Chairman’s staff, there used to be adequate personnel to meet patient advocate requirements, and the workload is only going to increase. He also suggested that only about half of the current ICOC patient advocates will elect this administrative support, reducing the figure to \$100,000.

President Hall expressed support for increased administrative clerical support but believes it should be on-site and believes conflicts of interest and confidentiality may be handled. President Hall also expressed his belief that every possible full-time employee will be needed to meet the scientific load and activities.

Brian Henderson expressed a concern about protecting patient advocates regarding conflicts of interest and confidentiality and is interested in restricting assistance to clerical duties.

Tina Nova expressed a concern that the administrative support be strictly clerical with no “technical advice” because of bias concerns.

David Serrano Sewell expressed a preference for the support to emanate from the President’s office, not ‘on site.’

Sherry Lansing suggested the first task should be to define what exactly the patient advocates wants.

David Serrano Sewell suggests that President Hall should conduct a survey of patient advocates and report back to the subcommittee.

John Simpson (member of the public) suggested that patient advocates, like institutional representatives, should be able to appoint a surrogate. Robert Klein suggested that James Harrison prepare a memo of what that is disallowed.

David Serrano Sewell suggests that President Hall work with Tina Nova to prepare a proposal to bring back to the next governance subcommittee meeting.

The Subcommittee then discussed an interim proposal to move forward with a temporary service for those patient advocates who need it until the Subcommittee has its next meeting.

Meeting was adjourned at 4:52 p.m.