

**TO:** Members of the ICOC  
**FROM:** C. Scott Tocher, Counsel to the Chair  
**DATE:** June 11, 2009  
**RE:** Update of the CIRM Conflict of Interest Code

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As required by the Political Reform Act of new state agencies, the ICOC in 2005 adopted a Conflict of Interest Code for members of the ICOC and CIRM staff. The code describes the types of interests that members of the board and CIRM employees must disclose on their annual statements of economic interests, and is the primary vehicle by which members and employees identify potential conflicts of interest.

The Political Reform Act requires every state agency to review its conflict of interest code biennially to examine and amend the code to accurately reflect the current organization of the agency and the job duties of the various positions listed in the code.

To that end, attached is a draft of the revised code that CIRM will send to the Fair Political Practices Commission for review (the Commission is the CIRM's code reviewing body). Because the CIRM's code is actually embodied in a regulation adopted by the ICOC, the amendment must be noticed with the Office of Administrative Law, as well. The attached draft reflects the changes in personnel and organization since the last code was adopted by the ICOC and anticipates new positions that may be filled in the future.

**Recommendation: Approve amendments to the CIRM's Conflict of Interest Code and permit staff to initiate the formal legal process for accomplishing the amendments.**

**Appendix A**

**Factual basis and rationale for code:**

Designated employees	Disclosure Category
<i>ICOC</i>	
Chair, ICOC	1
Vice Chair, ICOC	1
Member, ICOC	1

The members of the ICOC constitute the governing body of the CIRM, pursuant to statute, and thus have the fullest disclosure category. The Chair and Vice Chair of the ICOC are elected from and by the members of the ICOC, and have the same disclosure category as other members.

*Office of the Chair*

Deputy to the Chairperson-Finance, Policy & Outreach	1
Senior Executive Assistant to the Chairperson & Assistant Secretary to the Board	1
Executive Director, ICOC Board Relations	1
Associate Legal Counsel to the Chairperson	1
Director, Governmental Affairs	1
Senior Administrative Coordinator	3

The staff of the Office of the Chair has the fullest disclosure category. The Deputy to the Chairperson-Finance, Legal, & Governmental Affairs provides analytical and problem solving skills for activities and functions of the Chairperson’s Office with internal and external constituents and manages the flow of people and information. The Senior Executive Assistant to the Chairperson supports the work of the Chair managing projects for the Office of the Chair (OOC) and the Independent Citizens’ Oversight Committee (ICOC) as well as supporting the Executive Director of the ICOC. The Executive Director, ICOC manages the ICOC workflow facilitating its workflow and agenda as well as operations and outcomes from all of its subcommittees. Associate Legal Counsel to the Chairperson manages legal projects related to the policy initiatives of the Chairperson’s Office. The Director, Governmental Affairs directs, manages and supervises all aspects of inter-governmental relations for the ICOC; serves as chief strategist with the Chairperson, Vice Chairperson and President on public policy issues; and communicates with outside interest groups on public policy issues related to the mission of the CIRM. The Senior Administrative Coordinator provides administrative support to the Office of the Chair.

*Office of the President*

President	1
General Counsel	1
Associate Legal Counsel/Ethics Officer	1
Paralegal/Contract Administrator	1
Senior Executive Assistant to the President & Secretary to the CIRM Working Groups	3

The President is the chief executive officer of CIRM and is responsible for overseeing the many aspects of managing the Institute to meet the goals of the California Stem Cell Research & Cures Act. The President is responsible for recruiting an exceptional team of leading scientific and medical minds for the Institute’s working groups; developing and managing the executive and administrative teams of the CIRM, and developing recommendations for the grant of research monies from the Institute, as well as the corresponding licensing and intellectual property framework. The General Counsel is the chief legal advisor to the CIRM. The General Counsel provides legal advice on all matters pertinent to the CIRM and works with specialized outside counsel as necessary. The Associate Legal Counsel/Ethics Officer works

under the supervision of the General Counsel on all legal matters pertinent to the CIRM. The Paralegal functions as the administrative manager to the General Counsel and as a contracts administrator for the agency. The Senior Executive Assistant to the President provides executive administrative and project support to the President.

*Science Office*

Chief Scientific Officer	1
Director, Scientific Activities	1
Science Officer I, II	1
Senior Officer for Grants Working Group	1
Senior Officer for Scientific & Medical Ethical Standards	1
Science Associate	1
Grants Review Specialist I	1
Director, Grants Management System	1
Grants Management Officer	1
Grants Management Specialist I, II	2
Senior Administrative Coordinator	3
Grants Technical Assistant	4

The Chief Scientific Officer collaborates with the President in recruiting the best scientific and medical talent in the United States to serve on the CIRM working groups, and the established working groups to develop recommendations on grants, loans, facilities and standards. The Director, Scientific Activities, working under the direction of the Chief Scientific Officer, is responsible for recruiting and hiring the scientific and technical staff for the CIRM scientific program and grant review functions, and for overseeing the scientific review of grant applications, including organizing and reporting on meetings of the funding working group. The Science Officers report to the Director, Scientific Activities on all aspects of the CIRM's extramural scientific programs and assists in developing interdisciplinary trainings, organizing and conducting technical workshops and conferences, and responding to scientific investigator inquiries and requests. The Senior Officer for Grants Working Group under the general direction of the Director, Scientific Activities will be the liaison for CIRM to the Working Group, organizing and scheduling meetings, drafting documents, and providing senior level professional and administrative support to the Working Group. The Senior Officer for Scientific & Medical Ethical Standards, under the direction of the Chief Scientific Officer, serves as the senior staff support to the Standards Working Group. The Science Associate under general direction of a Science Officer II, reviews, administers, and monitors scientific programs to realize CIRM's strategic research and development objectives. The Grants Review Specialist I will report to the Senior Officer for the Grants Working Group and responsible for coordinating and implementing the review of grant applications, coordinating post review activities including the preparation of review summaries, and managing the appointment of grant reviewers. The Director, Grants Management System reporting to the Director, Scientific Activities will provide leadership for developing and implementing a grants administration system at CIRM. The Grants Management Officer oversees, directs and facilitates the business-related and financial grants management functions of the Institute to ensure an overall high quality of grants administration across all CIRM programs. The Grants Management Specialist I & II report to the Grants Management Officer and responsible for implementing the grants management functions of the institute to ensure accurate reporting of financial and programmatic activities funded by the institute through awards such as grants and loans. The Senior Administrative Coordinator provides administrative support to the Vice President-Operations and Chief Scientific Officer. The Grants Technical Assistant under the direction of Science Office management provides support including, but not limited to coordinating the receipt and processing of grant and loan applications, and assisting with preparation, distribution, and filing (both paper and electronic files) and tracking of all grant-related documents and correspondence to/from applicants and grantees, including grant applications.

*Office of Administration*

Vice President-Operations	1
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Chief Communications Officer	1
Communications Manager	1
Multimedia Editor/Science Writer	1
Director of IT	2
Finance Officer	3
Financial Services Officer	3
Senior Administrative Coordinator	4
Office Manager	4
Chief Human Resources Officer	4

The Vice President Operations supports the President in carrying out CIRM's scientific and administrative mission. The Vice President Operations is responsible for the administrative and operations component of CIRM including but not limited to communications, human resources, finance, facilities and information technology and has signatory capacity in these areas of CIRM operations. The Chief Communications Officer will work with the Chairperson and Vice-Chairperson of the ICOC and the President of CIRM to develop a clear and consistent message about the new frontier of stem cell research in California and to promote a deeper and more sophisticated public awareness of stem cell research and therapy. The Communications Manager reports to the Chief Communications Officer to develop and execute a comprehensive communications plan for CIRM, including media relations, public information, website content development and ongoing publication management. The Multimedia Editor/Science Writer is responsible for content for various CIRM communication tools, in particular its web site. The Director of IT under the direction of the Vice President-Operations provides overall IT leadership for CIRM and has primary responsibility for directing, coordinating, and managing CIRM information technology operations. The Finance Officer reports to the Vice President of Operations, responsible for all financial matters. The Finance Officer is responsible for the development of the operations budget for CIRM, including individual budgets for four cost centers. The Financial Services Officer assists the Finance Officer with daily financial operations of the CIRM, including budgeting, accounting, financial reporting and business operations. The Senior Administrative Coordinator provides administrative support to the Finance Officer. The Office Manager under general supervision of the Chief Human Resources Officer oversees the front office and administrative services. The Office Manager is responsible for overall business service functions of CIRM to ensure a smooth running and efficient front office. The Chief Human Resources Officer, working under the direction of the Vice President of Operations, is responsible for managing and administering all aspects of the human resources function at CIRM.

*Consultant*

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Consultants shall disclose pursuant to the broadest disclosure category in the CIRM conflict of interest code, subject to the following limitations: The agency President may determine in writing that a particular consultant, although a designated employee, is hired to perform a range of duties that are limited in scope and thus is not required to comply with the disclosure requirements described in this section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The determination of the President is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

**APPENDIX B**

**Disclosure Categories**

**Category 1**

A designated employee in this category shall report:

All investments, business positions, and income, including gifts, loans and travel payments; and all interests in real property located in the state of California, as defined in the Political Reform Act and the FPPC's regulations.

**Category 2**

A designated employee in this category shall report:

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or source of income is of the type to receive grants or other monies from or through the California Institute for Regenerative Medicine; ~~and~~

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or the source of income is of the type to offer or provide facilities, services, goods or products purchased or used, or contracted for, by the California Institute for Regenerative Medicine, and is providing or planning to provide such facilities, services, goods or products; and

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or source of income is engaged in biomedical research or manufacturing biomedical pharmaceuticals.

**Category 3**

A designated employee in this category shall report:

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or source of income is engaged in biomedical research or manufacturing biomedical pharmaceuticals.

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or the source of income is of the type to offer or provide facilities, services, goods or products purchased or used, or contracted for, by the California Institute for Regenerative Medicine, and is providing or is planning to provide such facilities, services, goods or products.

**Category 4**

A designated employee in this category shall report:

All investments, business positions and income, including gifts, loans and travel payments, if the business entity or the source of income is of the type to offer or provide

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facilities, services, goods or products purchased or used, or contracted for, by the California Institute for Regenerative Medicine, and is providing or is planning to provide such facilities, services, goods or products.