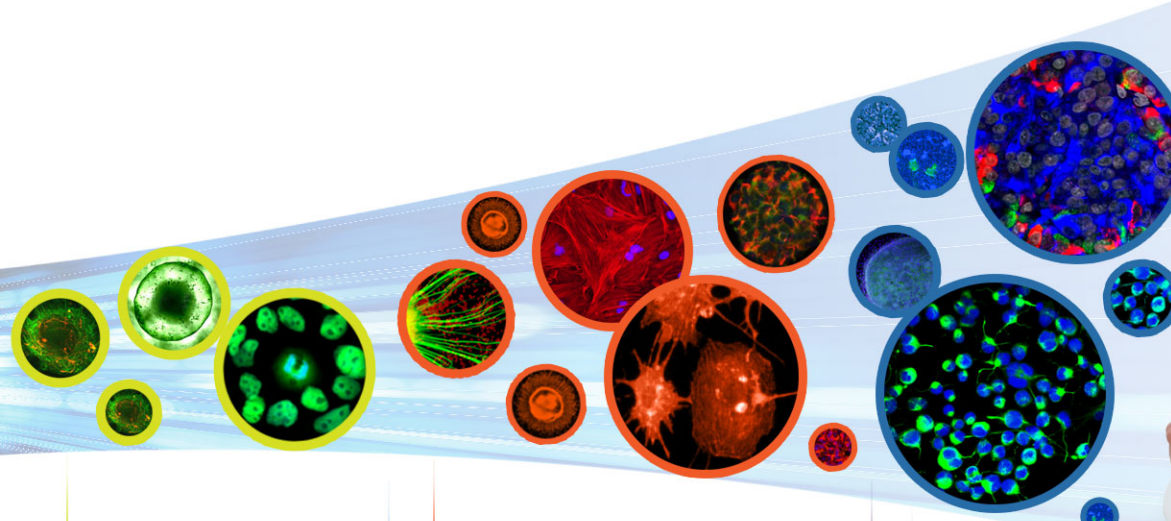


October 1, 2015

# CIRM 2.0

CALIFORNIA'S STEM CELL AGENCY



○ DISCOVERY

○ TRANSLATIONAL

○ CLINICAL

○ EDUCATION

○ INFRASTRUCTURE



**PERFORMANCE AUDIT REPORT**

# Performance Audit Report

- Moss Adams presented its final report in May 2015.
- Commended CIRM for strengthening its grants management system, grants review process, and organizational culture.
- Made 12 recommendations.
- CIRM team is focused on addressing all 12 recommendations.

# Recommendations and CIRM Response

#1 Continue to use systems controls implemented in July 2014 to ensure the consistent collection of Financial Interest Disclosure Forms in accordance with stated policies.

- Continue to use the GMS system to capture this information.

#2 Document procedures for the Financial Interest Disclosure Forms review and reporting processes, and work with IT to develop fields within the GMS for the Grants Review Staff to use to record evidence of the review activities performed.

- Implement GMS module to document all actions necessary to ensure accountability.

# Recommendations and CIRM Response

#3 Implement policies, procedures, and resources to achieve more timely review of progress reports, since the review of progress reports is an integral part of understanding the scientific progress being made by grantees.

- Target 30 calendar days for progress report review in order to prioritize this work across the agency.

#4 Implement procedures to ensure adherence to the Grants Administration Policy.

- Implement new SOP/business rule to ensure final progress report is submitted before grant is closed and continue to use payment module in GMS to address late annual progress reports.

# Recommendations and CIRM Response

#5 Implement enhancements to the GMS to support increased accountability for, and enforcement of, Annual Utilization Report requirements.

- Provide additional notification to grantees and implement policy addressing timely submittal of reports.

#6 As CIRM-funded IP developments increase and advance toward commercialization, increase efforts to protect IP by modifying the GMS to gather more data on IP commercialization events and continue to strengthen its process for monitoring and detecting non-disclosure.

- Add three fields in the IP module of the GMS to reflect the following three commercial events: 1) Initiation of clinical testing 2) Initiation of pivotal studies 3) application for marketing approval.

# Recommendations and CIRM Response

# 7 Develop a slate of operational performance measures aligned with CIRM's strategic plan and report regularly to the ICOC.

- Review all administrative areas to implement appropriate performance measures.

# 8 Continue to proactively focus on improving employee engagement through effective employee outreach, team building, and communication.

- Hold quarterly meetings and engage team in strategic planning.



# Recommendations and CIRM Response

# 9 Ensure performance evaluation and merit increases occur in a timely manner.

- Managed 15/16 Performance Review process in a timely manner and implemented merit salary increases at the beginning of the fiscal year.

#10 Continue to monitor current trends in web application development to determine the best development applications to support the GMS moving forward.

- Continue to monitor the trends in web application development relative to the current GMS and, dependent on the lifespan of CIRM, consider new web application development platforms for any new (non-GMS) web application development.

# Recommendations and CIRM Response

#11 Continue to identify and pursue opportunities to enhance GMS capabilities to automate processes, reduce paperwork, and enhance information access.

- Continue to work with business stakeholders to define further uses for the GMS to reduce paperwork and improve business processes.

#12 Continue implementation of FY 2010-2011 performance audit recommendations.

- Address the remaining relevant 10/11 audit recommendations as part of the 13/14 audit work.

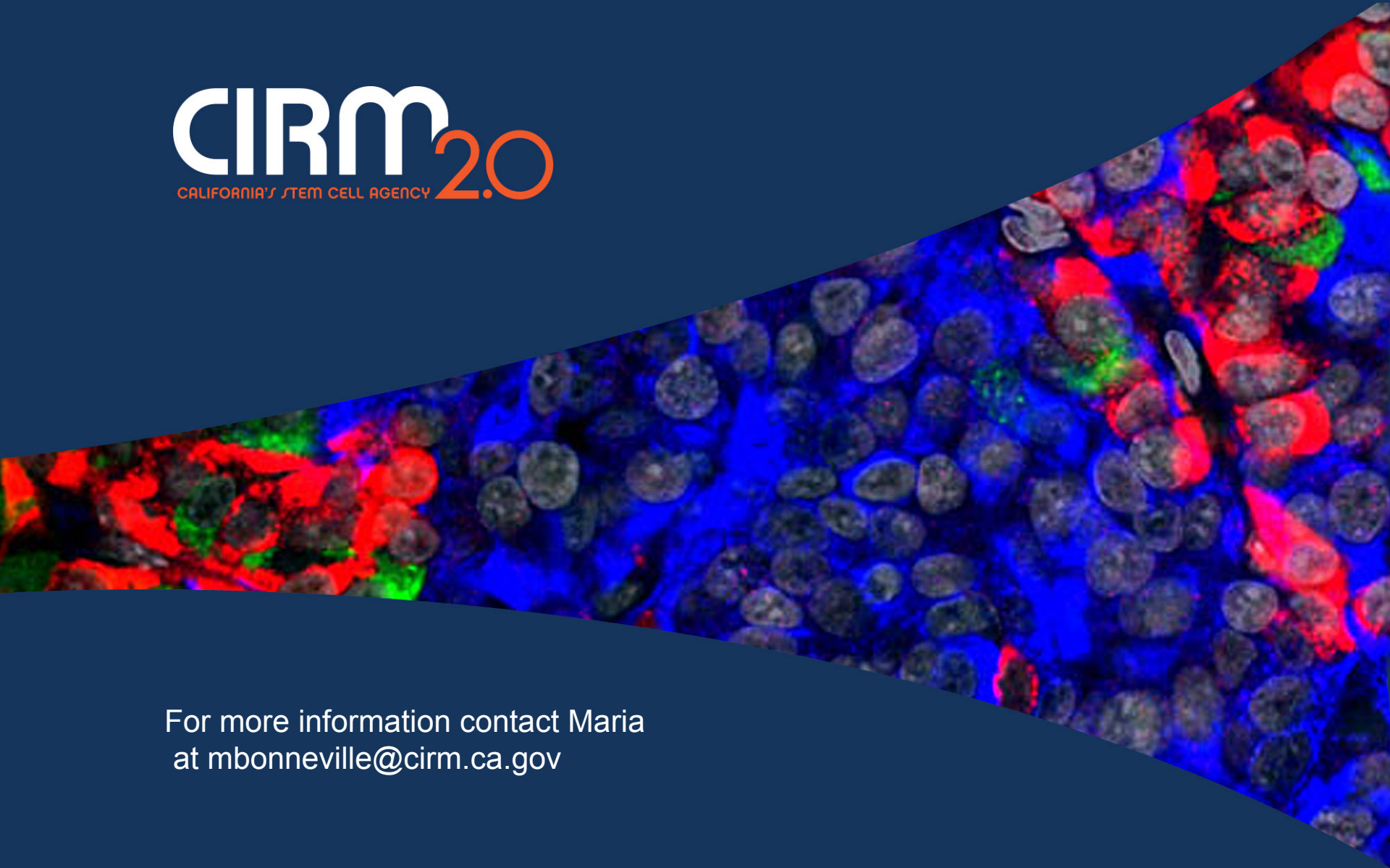


# Next Steps



DISCOVERY  
TRANSLATIONAL  
CLINICAL  
EDUCATION  
INFRASTRUCTURE

- Further work will be completed to address the 12 Recommendations from the 13/14 Fiscal Year audit
- Progress updates will be provided to the ICOC Board in the coming months.



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