

SOMETHING BETTER THAN HOPE

CFAOC
Fiscal Year 2020/21

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Agenda

Fiscal Year 2020/21 Budget

Two-step Budget Process

Financial Results

Major Drivers

Current Approved 2021/22 Budget

Major Drivers

Mid-Year Adjustment

Fiscal Year 2020/21 Financial Results and Discussion

Two-Step Budget Process

July budget based on Prop 14 uncertainty:

- Wind-down plan for sunseting CIRM
- Closeout of Prop 71

Mid-Year Budget budget based on passage of Prop 14:

- Additional funds available for award
- Additional requirements for Access and Accountability
- Recruitment and personnel growth
- Preliminary relocation planning costs

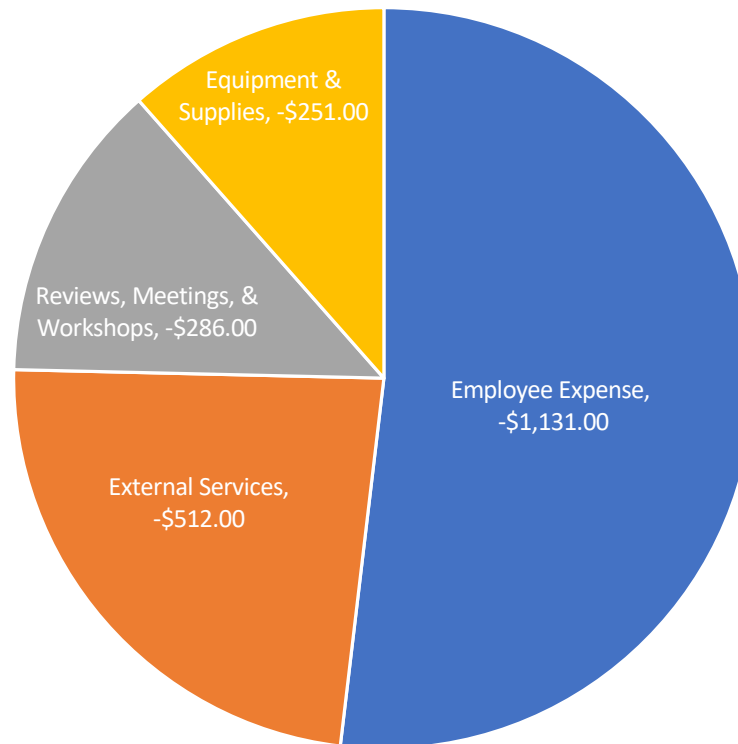
FY 2020/21 Actual Financial Results

| Category | FY 20/21 Budget | FY 20/21 Actual | Variance |
|---------------------------------|-----------------|-----------------|----------------------|
| Employee Expense | 10,718 | 9,587 | -1,131 (-12%) |
| External Services | 2,211 | 1,699 | -512 (-30%) |
| Reviews, Meetings and Workshops | 661 | 375 | -286 (-76%) |
| Memberships & Training | 124 | 36 | -88 (-243%) |
| Travel | 6 | 1 | -5 (-374%) |
| Equipment & Supplies | 704 | 453 | -251 (-18%) |
| Facilities | 913 | 1,111 | 198 (16%) |
| Total | 15,337 | 13,262 | -2,075 (-16%) |

- Dollars in thousands
- Minor rounding variances

Four Major Drivers of Savings

(Dollars in Thousands)



Major Drivers of 2020/21 Budget Variance

Lower Employee Expenses:

- The Original FY 20/21 budget included 31 positions (prior to Prop 14 passage).
- With passage of Prop 14 , 9 additional positions were budgeted for the relaunch in December of 2020.
 - 6 positions filled by June 30th

Financial Impact: Under budget -\$1,131,000 (-12%)

Major Drivers of 2020/21 Budget Variance

Lower External Services:

- Expenses lower than budgeted, resulting in savings
- Contingency expenses did not materialize

Financial Impact: Under budget -\$512,000 (-30%)

Major Drivers of 2020/21 Budget Variance

Lower Reviews/Meetings/Workshops Expenses:

- Expenses lower than budgeted, resulting in savings
- Meetings/workshops occurred remotely as a result of COVID 19

Financial Impact: Under budget -\$286,000 (-76%)

Major Drivers of 2020/21 Budget Variance

Equipment & Supply Expenses:

- Expenses lower than budgeted, resulting in savings
- Purchase of personal protective equipment was deferred when telework was extended due to surges in COVID-19 cases.

Financial Impact: Under budget -\$251,000 (-18%)

Major Drivers of the 2021/22 Budget

- With passage of Prop 14 to continue CIRM, as part of relaunch increased an additional 9 position for a total of 49
- Increased facilities costs due to lease extension
- Contingency funding for legal services/reviews

21/22 Mid-Year Adjustment

- Mid-Year Budget Revision will include:
 - Implement new Strategic Plan
 - Increase staffing in support of new initiatives
 - Facilitate the move to new location
 - Adjustments for retirement benefits

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Thank You!