

Oklahoma Tobacco Settlement Endowment Trust
Board of Directors
Minutes
May 18, 2007

Board of Directors' Members Present: Kenneth D. Rowe, Donald Cooper, M.D., George E. Foster, O.D., Casey Killblane (participated by telephone), W.R. Lissau, D. Robert McCaffree, M.D., Susan Walters Bizé

Board of Directors' Members Absent: none

Staff Present: Tracey Strader, Jonás Mata, Dorothy Antwine

Guests Present: Senator Tom Adelson, Laura Beebe, Ph.D, Clarissa Brown, Beatrice E. Butler, Leslie Crow, Ed.D, Jennifer Deese, Ariel Finley, Vanessa Hall-Harper, Jake Henry Jr., Corrina Jackson, Doug Matheny, Tom Neff, Dena Squyres, Joann Stevenson, D'Elbie Walker, Wes Glinsmann

Agenda Item	Discussion and Notes	Action and Follow-up
1. Open Meeting Act, Call to Order and Opening Remarks	Ken Rowe announced that the requirements of the Open Meeting Act, including the filing of the meeting and posting of the agenda had been met and called the meeting to order.	
2. Approval of Minutes of the February 23, 2007 Regular Board Meeting	Minutes of the February 23, 2007 regular board meeting were approved as written.	Motion to approve made by Dr. McCaffree and seconded by Dr. Foster. Motion passed unanimously. Casey Killblane did not participate in the vote.
10. New Business	Dr. McCaffree stated that the language related to TSET funding had been removed from SB 424 during conference committee.	Dr. McCaffree made a motion to develop a small ad hoc committee of the board, consisting of committee chairs, to develop appropriate language to send to the Attorney General asking for an opinion on the legislature's authority to direct expenditures from the endowment's earnings. The motion was seconded by Dr. Foster, and passed unanimously. Casey Killblane did not participate in the vote.
3a.i. Chair's Report – Board Retreat and Strategic Plan	Ken Rowe discussed potential meeting locations for the board retreat and strategic plan for September 6-7, 2007. The board decided to meet at the Post Oak Lodge in Tulsa, OK for the September board retreat.	Dorothy Antwine will coordinate with Post Oak Lodge for reservations. Dorothy Antwine will research the Noble Foundation in Ardmore, OK for next year's board retreat.

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3a.ii. Chair’s Report – Board Retreat and Strategic Plan	Ken Rowe asked Tracey Strader to describe the suggestion of conducting a key stakeholder survey or meeting prior to the September board retreat. Key stakeholders would be a combination of some legislative leaders, state agency directors, private foundations that fund public health and social services, and advocacy groups such as the Institute for Child Advocacy, professional associations, voluntary organizations, and others. The survey or meeting of key stakeholders would provide input from state leaders as the board prioritizes programs for future funding.	Tracey Strader will follow-up with Frank Merrick, create a draft list of key stakeholders, and work with the board’s committees to move the survey or meeting forward prior to the retreat.
3b. Chair’s Report – Ethics Commission Reports Filed (and other remarks)	Ken Rowe reported that every board member’s ethics commission report had been filed. Mr. Rowe also announced that the State Treasurer’s office had received a “Quality Oklahoma Team Day” award for improvements in the investment of the Tobacco Settlement Endowment Trust Fund. These changes are expected to generate an additional \$14 million in additional income over the next five years.	
4a. Director’s Report – Upcoming Training Events	Tracey Strader discussed upcoming training events, including the National Conference on Tobacco or Health and the Society for Research on Nicotine and Tobacco.	
9. Update on Tobacco Control Legislation and Policy	<p>Wes Glinsmann provided the following updates:</p> <ul style="list-style-type: none"> • SB 1014 relating to the tobacco tax was still in conference committee. • The Governor signed SB 473 banning smoking in zoos. • On the federal level, legislation has been re-introduced this year to give the FDA the authority to regulate tobacco products. <p>Mr. Glinsmann asked Senator Adelson to add any comments. Senator Adelson reported that SB 1014 would not be going to the floor, and SB 424, the All Kids Act, had come out of conference committee and without any reference to TSET funding.</p>	

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5a. Program Committee Report – Presentation - NorthEast Tobacco-Free Oklahoma Coalition	Dr. Beatrice Butler presented information on the Coalition’s “Kick Butts Day” event, March 28, 2007, in which Tulsa employers came together to learn about the Make It Your Business strategies of creating a tobacco-free work environment, promoting the Oklahoma Tobacco Helpline, and providing tobacco dependence treatment coverage for employees through their health insurance plans. Dr. Butler reported that the event was well-attended, and the response was very positive. A subsequent event is planned for retirement communities and nursing homes in June 2007.	
5b. Program Committee Report – Students Working Against Tobacco	D’Elbie Walker, Northeast Regional SWAT Coordinator, opened the presentation by saying that she was fortunate to have the opportunity to train students in rural areas to be leaders in their communities’ efforts to reduce tobacco use and tobacco industry influences. Ms. Walker introduced the following students: Jennifer Deese and Clarissa Brown from Eufaula High School, Ariel Finley from Muskogee High School and Dena Squyres from Sequoyah High School each described heir SWAT team’s activities, such as reward and reminder visits to retail stores to prevent the sale of tobacco to minors, ‘Kick-Butt’s’ Day events and sponsorships, SWAT member recruitment, and serving as spokespersons during media coverage of SWAT events.	
Bill Lissau left the meeting.		
5ci. Program Committee Report – FY 2007 OSDH contract amendment for additional counter-marketing	Susan Bizé reported that the Program Committee recommended an amendment to the FY 2007 Oklahoma State Department of Health contract to increase the contract amount by \$120,000. The amendment would allow for reprinting the Strong and Health Oklahoma Guidebook in both English and Spanish. The guidebook promotes the use of the Oklahoma Tobacco Helpline and tobacco-free environments.	The Program Committee recommendation was approved unanimously. Casey Killblane did not participate in the vote. Bill Lissau was not present for vote.

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5cii. Program Committee Report – FY 2007 Program Contract Amendment - RFP #0920000001 – Planning and Implementation of Comprehensive Community Tobacco Control Programs, Proposed Amendments	The Program Committee recommended amendments to the Communities of Excellence RFP to level the playing field between the original Communities of Excellence grantees and the new wave of Communities of Excellence grantees to be awarded in the Fall of 2007. The amendments would 1) reduce the required cash match to an amount determined by the grantee or applicant, 2) allow staff time to be used for fund-raising that is directly related to the program and 3) allow budget adjustments of up to 5% of the total grant award without prior written approval of TSET. The Committee also recommended an amendment to the FY 2007 Program budget to increase the budget by \$134,000 to finalize the second CX grant year, ending September 30, 2006.	The Program Committee recommendations were approved unanimously. Casey Killblane did not participate in the vote. Bill Lissau was not present for vote.
5ciii. Program Committee Report – FY 2007 Program Contract Amendment - RFP #0920000003 – Addressing Tobacco in Specific Populations, Proposed Amendments	The Program Committee recommended the adoption of the same amendments (just approved for the Communities of Excellence program) were also needed for the Addressing Tobacco in Specific Populations program.	The Program Committee recommendation was approved unanimously. Casey Killblane did not participate in the vote. Bill Lissau was not present for vote.
5di. Program Committee Report – FY 2008 Contract Renewal – Free & Clear, Inc. RFP #0920000002 for the Oklahoma Tobacco Helpline	The Program Committee recommended renewal of the contract with Free & Clear, Inc. in the amount of \$3 million for continuation of the Oklahoma Tobacco Helpline contract.	The Program Committee recommendation was approved unanimously. Casey Killblane did not participate in the vote. Bill Lissau was not present for vote.
Bill Lissau returned to the meeting.		
5dii. Program Committee Report - FY 2008 Contract Renewal – Oklahoma State Department of Health for Counter-marketing and State Program Office Services	The Program Committee recommended renewal of the contract with the OSDH in the amount of \$1,936,959 with \$1.5 million for counter-marketing campaigns and \$436,959 for State Program Office services, including training and technical assistance to TSET-funded grantees. The Program Committee also recommended that the board authorize Tracey Strader to work with a bid review committee, in collaboration with the OSDH, to select a media firm.	The Program Committee recommendation was approved unanimously. Casey Killblane did not participate in the vote.

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5diii. Program Committee Report - FY 2008 Contract Renewal – University of Oklahoma, College of Public Health, for Evaluation Services	The Program Committee recommended renewal of the contract with the OU College of Public Health for evaluation services in the amount of \$430,897. Evaluation would cover all TSET-funded tobacco control programs.	The Program Committee recommendation was approved unanimously. Dr. McCaffree and Ken Rowe recused themselves from the vote. Casey Killblane did not participate in the vote.
5div. Program Committee Report - FY 2008 Contract Renewal – Renewal of contract with the OSDH to provide funding to the TSET for the Oklahoma Tobacco Helpline	Susan Bizé reported that the Oklahoma State Department of Health provides funding to expand the reach of the Oklahoma Tobacco Helpline. The Program Committee recommended renewal of the contract in the amount of \$1,250,000 for FY 2008.	The Program Committee recommendation was approved unanimously. Casey Killblane did not participate in the vote.
6e. Program Committee Report – FY 2008 Contract – Discussion and Possible Approval of Funding for the Oklahoma Tobacco Research Center	The Program Committee recommended the award of a five-year contract with the OU Cancer Institute for the purpose of developing and implementing the Oklahoma Tobacco Research Center. The mission of the Oklahoma Tobacco Research Center (OTRC) would be to identify, evaluate and disseminate best practices to prevent, control, and reduce tobacco use and the incidence of tobacco-related cancer. The total contract award would be for \$4 million over a five-year period as follows: Year One (Planning) at \$400,000, Year Two (Planning) at \$600,000, and Years 3-5 (Implementation) each at \$1 million per year.	The Program Committee recommendation was approved unanimously. Dr. McCaffree and Ken Rowe recused themselves from the vote. Casey Killblane did not participate in the vote.
6f. Program Committee Report – Discussion and Possible Approval of TSET Grantmaking Policies	<p>The Program Committee recommended:</p> <ol style="list-style-type: none"> 1) Adoption of Grantmaking Policies. The policies create a process in which advisory committees would be established by the board to make recommendations on the development and criteria for program areas identified as priorities by the board. If adopted, the policies could become administrative rules. 2) The establishment of a Matching Funds Program in which TSET could provide matching funds to assist organizations in obtaining grant money from the federal and/or state government, private foundations or other collaborative funding partners. 3) The Program Committee also recommended that unsolicited proposals would be administered through the Matching Funds Program; 	<ol style="list-style-type: none"> 1) The Committee’s recommendation to approve the grantmaking policies was approved unanimously. Casey Killblane did not participate in the vote. 2) The Committee’s recommendation to establish a matching funds program was approved unanimously. Casey Killblane did not participate in the vote. 3) The Committee’s recommendation that unsolicited proposals would be administered through the Matching Funds Program was approved unanimously. Casey Killblane did not participate in the vote.

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	<p>and 4) The Committee also recommended review criteria for the Matching Funds Program.</p>	<p>4) The Program Committee recommendation to approve the review criteria for the matching funds program passed unanimously. Casey Killblane did not participate in the vote.</p> <p>Jonás Mata will be responsible for developing an application process for unsolicited proposals under the Matching Funds Program.</p>
<p>6g. Program Committee Report – Program Updates</p>	<p>Jonás Mata reported that TSET had received the strategic plans developed during the planning phase of the Addressing Specific Populations program. Mr. Mata also reported that the Communities of Excellence Wave II proposals would be due at the end of June.</p> <p>Tracey Strader reported that the Oklahoma Tobacco Helpline was offering a promotion in which two-week “starter kits” of nicotine patches, gum, or lozenges were offered to all callers. As a result, over 1,500 tobacco users contracted the Helpline for services during a one-week period.</p> <p>Ms. Strader also reported that Brothers & Company, a Tulsa-based media firm on contract with the OSDH, has been developing a counter-marketing campaign to be launched with three to six months. The campaign emphasizes the impact of tobacco use in a variety of relationships. It also emphasizes personal responsibility.</p>	
<p>6a. Proposed Executive Session – Board discussion and recommendation for funding of grant renewals for the Addressing Tobacco in Specific Populations grant initiative (RFP #0920000003)</p>		<p>Motion to move into Executive Session made by Dr. Cooper and seconded by Dr. Foster. Motion passed unanimously. Casey Killblane did not participate in the vote.</p>

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6b. Proposed Executive Session – Board of Directors to conduct the Executive Director’s Performance Appraisal – as authorized by 25 O.S. § 307(B)(1).		
		Motion to move out of Executive Session made by Susan Bizé and seconded by Dr. Foster. Motion passed unanimously. Casey Killblane did not participate in the vote.
		Dr. Foster made a motion to approve funding for Specific Populations grantee #1 for one quarter of the year, with special conditions. The motion was seconded by Dr. Cooper, and passed unanimously. Casey Killblane did not participate in the vote.
		Dr. Foster made a motion to approve full funding for the entire year to grantees #2 and #3. The motion was seconded by Susan Bizé and passed unanimously. Casey Killblane did not participate in the vote.
		A motion to provide a bonus of \$500 for the full-time staff and \$250 for part-time staff was made by Dr. McCaffree and seconded by Dr. Cooper. The motion passed unanimously. Casey Killblane did not participate in the vote.
7a. Agency Operations Committee Report – FY 2007 Third Quarter Expenditures, Operating and Program Budgets, Budget to Actual	Casey Killblane reviewed the Third Quarter Expenditures – Budget-to-Actual report for the Operating and Program Budgets. Operating expenditures were approximately 66% and Program expenditures were approximately 45%. Because each grant and contract award is expended on a reimbursement basis, the true spending rate is not usually evident until several months after the end of the fiscal year or grant year.	

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7b. Agency Operations Committee Report – FY 2007 Program Budget Revision	The Agency Operations Committee recommended Program Budget revisions, as discussed in the Program Committee report, in the amount of \$254,000.	The Agency Operations Committee recommendation was approved unanimously. Casey Killblane did not participate in the vote.
7c. Agency Operations Committee Report – FY 2008 Board of Investors Budget Request	The Agency Operations committee recommended approval of the FY 2008 budget for the Board of Investors in the amount of \$105,000. This represents a reduction of approximately \$9,000 from the FY 2007 budget.	The Agency Operations Committee recommendation was approved unanimously. Casey Killblane did not participate in the vote.
7d. Agency Operations Committee Report – FY 2008 Preliminary Operating and Program Budgets	Casey Killblane reviewed the preliminary FY 08 Operating and Programs Budgets. The Agency Operations Committee recommended preliminary FY 2008 operating budget of \$590,034 and a preliminary FY 2008 programs budget in the amount of \$9,782,081.	<p>The Agency Operations Committee recommendation to approve the FY 2008 preliminary operating budget was approved unanimously. Casey Killblane did not participate in the vote.</p> <p>The Agency Operations Committee recommendation to approve the FY 2008 preliminary programs budget was approved unanimously. Casey Killblane did not participate in the vote.</p>
7e. Agency Operations Committee Report – Discussion and Possible Approval of TSET Administrative Policies	Casey Killblane reported that the Agency Operations Committee recommended the adoption of administrative policies. If adopted, some of the policies could become administrative rules when the grantmaking rules are promulgated.	The Agency Operations Committee recommendation to approve the administrative policies was approved unanimously. Casey Killblane did not participate in the vote.
Casey Killblane left the meeting		
8a. Evaluation Committee Report – Evaluation Results for Communities of Excellence Year 1 of Implementation	Dr. Cooper asked Dr. Laura Beebe to provide an overview of the evaluation results for the Communities of Excellence Year 1 of Implementation (Grant Year 2). Highlights included the fact that the number of school districts and private schools with 24/7 tobacco-free campus policies increased by 75% during the first year of implementation. In addition utilization of the Helpline within the grantees service area increased by 22% over baseline. Dr. Beebe said six of the CX grantees had implemented “optional’ interventions over and above those addressed by all CX grantees.	

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8b. Evaluation Committee Report – Presentation – Evaluation Design of the TSET-Funded Counter-Marketing Campaign planned for FY 2008	Dr. Laura Beebe discussed the evaluation design of the planned counter-marketing campaign. The primary target audience for the campaign is 18-34 year olds, and the secondary target audience is 12-17 year olds. Dr. Beebe said the evaluation questions would focus on short-term, proximal outcomes that would be more likely to result from the counter-marketing campaign. She indicated that she expects the campaign to be evaluated by using a repeated cross-sectional survey of both telephone based surveys as well as web-based surveys.	
10. New Business	Ken Rowe called for new business. Susan Bizé asked if the November 30, 2007 board meeting date could be moved to an alternate November date.	Dorothy Antwine will work with the board to identify any other available dates.
11. Public Comment	There was no public comment	
12. Adjournment		Motion to adjourn made by Dr. Foster and seconded by Dr. Cooper. Motion passed unanimously. Casey Killblane was not present for the vote.