

Oklahoma Tobacco Settlement Endowment Trust
Board of Directors
Special Board Meeting
Minutes
September 24, 2009

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

Staff Present: Tracey Strader, Jonás Mata, Sjonna Paulson, Dorothy Antwine

Guests Present: Shrikant Anant, Ph.D., Michael D. Anderson, Ph.D., C. Michael Carolina, Executive Director, Representative David Dank, Danny N. Dhanasekaran, Ph.D., Representative John Enns, Don Ewart, Ph.D., Courtney W. Houchen, M.D., Paul W. Kincade, Ph.D., Sundararajan V. Madihally, Ph.D., Jerry R. Malayer, Ph.D., Robert S. Mannel, M.D., Frank Merrick, Stephen M. Prescott M.D., Paul G. Risser, Ph.D., C.V. Rou, Regina Switzer, Rachel Waldrop, Wade Williams

Agenda Item	Discussion
1. Open Meeting Act, Call to Order and Opening Remarks	Casey Killblane 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. Overview of EDGE Fund Grantmaking Process	Dr. Paul Risser described the EDGE Fund's grantmaking process, including the acceptance of pre-proposals, technical scientific review, advisory committee review and recommendations from the advisory committee to the policy board. Reporting is required on performance benchmarks (process) as well as impact (FTE and external funding received). Dr. Risser pointed out that while the Oklahoma Center for the Advancement of Science and Technology (OCAST) typically funds basic research, the EDGE fund policy board awards grants for transitional research.
3. Tobacco Settlement Endowment Trust Overview	Tracey Strader provided a history of the Tobacco Settlement Endowment Trust, including its organizational structure, Master Settlement Agreement funding amounts, strategic plan, and grant programs.
4. Adult Stem Cell Research in Oklahoma	<p>Dr. Mannel reported that the OU Health Sciences Center (OUHSC) conducts a variety of research, including basic research, translational research, and clinical trials. He explained that up to 40% of people diagnosed with cancer eventually die of their disease even when their cancer appears to be eradicated. One theory is that this occurs because the cancer-related stem cells are still present, and that a major thrust of cancer research may well be in the area of stem cell research. Dr. Mannel recommended that an Oklahoma Stem Cell and Regenerative Medicine Research Center was needed to provide very advanced technology that could be shared among all scientists conducting stem cell research.</p> <p>Dr. Prescott explained that every stem cell has the same kind of genes, but they eventually differentiate into a heart, lungs, etc. In melanoma 100% of cells are stem cells. He reported that the Oklahoma Medical Research Foundation (OMRF) is interested in seeing a shared resource established; a core facility that could establish efficiencies and allow samples to be submitted from around the world. In order to get funding from the National Institutes of Health (NIH) a facility must be able to accept</p>

Agenda Item	Discussion
	<p>samples worldwide. Such a center could be a microarray facility open to all scientists on a fee-for-service basis. Also it is not possible to run stem cell research without a first class mice facility, with access to MRI and CAT scans. Dr. Prescott stated that the notion that adult stem cells could “go backward” to become whatever body part is needed has revolutionized stem cell research. The time is right to take advantage of this new revolution in stem cell research. OMRF has a new tower going up. In order to recruit the top level scientists they have to be able to get something they can’t get elsewhere, to develop critical mass in an area and build teams big enough to compete with other teams in the nation and the world. This is where core facilities can play a significant role in advancing adult stem cell research in Oklahoma, by acting as a magnet for new talent, making it easy for them to get their work done.</p> <p>Dr. Malayer with OSU stated that as much as an investment in OSU Stillwater would be appreciated, it would make more sense to fund a center or core facility in Oklahoma City because that is where the majority of the work is being conducted. It is a strategic priority of the veterinary school to collaborate with the work being conducted on the Health Sciences Center campus. As the other presenters stated, all scientists in Oklahoma and in the world could benefit from a center or core facility.</p>
<p>5. Working Lunch to Discuss Potential Applicants’ Recommendations to TSET Board of Directors</p>	<p>Michael Carolina, Director of OCAST provided a brief overview of the OCAST grantmaking process, including an external review process. He explained that when OCAST makes grants in health research, no match is required and no indirect costs are allowed. Mr. Carolina also explained that OCAST already assists the Oklahoma Transportation Center in managing a peer review process. If the TSET Board of Directors decided to utilize the services of OCAST to manage a peer review process, the board would help to develop the competitive award specifications and would make the final decision about all awards. Administrative costs to manage such a process would be equal to or less than 5%.</p> <p>Agenda Item 5</p> <p>Rep. Enns said he would like to see how to stimulate adult stem cell research. This might be through a grant process which would bring outside researchers to the state. .</p> <p>Dr. Mannel said as researchers in the OU campus, good stem cell research is already being conducted but it is well coordinated yet. He stated that through the creation of a statewide center of excellence such collaboration could be facilitated and encouraged. A center of excellence would provide the infrastructure to take adult stem cell research to the next level. It would provide seed grants to applicants from across the state, host conferences and offer access to core labs. A center would also be a valuable resource that would aid in the recruitment of cutting edge scientists to Oklahoma. This is the sort of infrastructure that can’t be funded by NIH.</p>

Agenda Item	Discussion
	<p>Dr. Malayer said that providing a physical core lab, or an endowed chairs program, could help to bring in a star scientist with specific expertise that may not currently exist in Oklahoma. Such a scientist could provide leadership in a particular area of research and attract other stars. This would draw additional grant money to Oklahoma and help to raise the national reputation and visibility of our state.</p> <p>Dr. Prescott said he would recommend against a grants program. Dr. Prescott said that a million dollars was a lot of money but not enough to compete at a global level if TSET was going to invest the funding on a grants basis. He recommended an investment in infrastructure, a core facility and then a smaller internal grants program that a center would administer. He recommended that the board choose the structure, hold the center accountable, and run that as a part of their internal programs.</p> <p>Dr. Mannel said it was important to leverage existing resources, stimulate passionate scientists who are already doing great work in this field to go to that next level, and facilitate more collaboration. This would be the best use of the board’s funding. He recommended that the center be more heavily weighted towards core and infrastructure development which would allow the researchers to be more effective and encourage their passion for this work. Seed grants, with the center providing scientific review, and center-directed research conferences could be included in the center’s metrics for accountability. The board could set forth its expectations in the contract document, including reporting on center activities, funds leveraged, and demonstrated support and investment on the part of center leadership.</p> <p>Frank Merrick asked if it would be feasible to ask the OSU, OMRF, OU and others to sit down together and come back with a comprehensive proposal that they would collaborate and bring back to the board that would show how they would use the TSET funding, and how they would evaluate its success.</p> <p>Dr. Mike Anderson when the board could see the application of the research, considering what is going on in the U.S. and around the globe, in what kind of timeframe would you have either a specific or broad application? Dr. Prescott answered that the average time from indentifying a molecular target to a patient taking a pill is approximately 17 years. OMRF is within two to three years of doing that, first in mice, then in humans.</p> <p>Dr. Mannel said there are already clinical applications going on right here in Oklahoma. As far as taking advantage of some of the business initiatives, like the EDGE proposals, he thought the board could see those in five years. One million dollars a year is not going to create a portfolio, but it is going to help balance a portfolio.</p>

Agenda Item	Discussion
	<p>Susan Bizé asked how measurable outcomes would be obtained if the board were to fund an infrastructure for the next five years. Dr. Mannel answered that the board would want to enhance adult stem cell research in all its arenas in the state of Oklahoma. He recommended a statewide mission and a collaborative approach, for example, a board with investigators from OSU, OMRF, and OU on it, “x” number of scientific sessions a year, “x” number of grant applications, etc. All those metrics would be quite easy to identify for accountability. The centers are held to different models of metrics than individual investigators, because centers are there to do the type of work that centers do.</p> <p>Mr. Carolina said if there is interest in a statewide center, OCAST has that structure available if the board wanted a presentation on it. OCAST could help to spell out the rules, governance process and measurable outcomes, and benchmarking data. He said one center could be in bioscience, one could be advanced materials, etc. but the structure exists and would not need to be started from scratch. Mr. Carolina also said a five and a half million dollars may not be sustainable for a center unless NIH dollars or private sector dollars could also be attracted. It is just a matter of the board’s deciding in which direction it wants to go.</p>
<p>6. Panel Discussion of Potential for Grantmaking Administrative Oversight, and Evaluation Plans for Adult Stem Cell Research Initiatives</p>	<p>Frank Merrick recapped that every one of the potential grant seekers said that the board needs to fund a consortium of adult stem cell research in Oklahoma. They did say it should not be one entity (OU, OSU, OMRF), and it should be in Oklahoma City because that’s where most of it is being done. They didn’t think the board should make individual grants.</p> <p>One of the roles of a center is to bring together scientists; it mainly sponsors core facilities and mechanisms of interaction. It doesn’t really sponsor research per se. What can be accomplished through a center is bringing scientists together, sponsoring workshops, and providing core lab facilities. The board could have that as well as a research program/grant funded to someone like OCAST where you actually target how to accomplish multiple goals.</p> <p>Dr. Anderson said he would recommend that the board remember why they’re doing this – to save and improve lives. He suggested the board consider a non-technical core lab center (not knowing what the technologies are yet), think about how a small amount of money can be used most effectively?</p> <p>Rachel Waldrop Holzhauser recommended that the board look at the long-term as well. What might the implications be if the board wants to step out at some point, who would take over?</p>

Agenda Item	Discussion
7. Next Steps	<p>After some discussion the next steps identified were to have Tracey Strader write a letter to OMRF, OSU, and OU asking the three organizations to work together to develop a proposal that the board could review at the upcoming board retreat in November. The proposal should deal with the three basic components of what it is that the center would do, how would core facilities be integrated, and what opportunities would there be for grant funding, collaboration, and sustainability. It should contain benchmarks, outcomes, leverage, etc. If a grant component would be included, the proposal should indicate how it should be administered (OCAST, EDGE, etc.). It was also agreed that the proposal should not only reflect how the \$5.5 million might be spent but how \$10 million might be spent as well.</p> <p>The panel advisors will be asked to stay involved in reviewing the proposal and making recommendations to the board.</p> <p>Mr. Carolina will send Tracey Strader the information on model centers, which should help to answer a lot of questions and stimulate the thought process among the board members.</p>
8. Adjourn	