

**Oklahoma Tobacco Settlement Endowment Trust**  
**Board of Directors**  
**Minutes**  
May 18, 2010

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

**Staff Present:** Tracey Strader, Jonás Mata, Sjonna Paulson, Sharon Neal, Lance Thomas, Holly Gray, Dorothy Antwine

**Guests Present:** Laura Beebe, Tim Berney, Julie Cox-Kain, Doug Matheny, D. Robert McCaffree, M.D., Frank Merrick, Travis Monroe, Greta Puckett, Rebekah Rhoades, Sarah Samuels, Liz Schwarte, Bryan Smith, Lisa Yadon

<b>Agenda Item and Discussion</b>	<b>Action and Follow-up</b>
<p><b>1. Open Meeting Act Announcement and Call to Order</b>  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.</p>	
<p><b>2. Approval of Minutes of the February 24, 2010 Regular Board Meeting</b></p>	<p>Motion to approve Minutes of the February 24, 2010 Regular Board Meeting made by Dr. Foster and seconded by Ken Rowe. Motion passed unanimously. John Kennedy and Bill Lissau were not present for the vote.  Dorothy Antwine will make the minutes part of the permanent record.</p>
<p><b>3.a. Board of Investors Update – Consideration and Possible Action on FY 2011 Contract for Administrative Support</b>  Travis Monroe discussed the FY 2011 contract for administrative support which increased by \$2,000.</p>	<p>Motion to approve contract with the Oklahoma State Treasurer's Office for administrative support for the Board of Investors in the amount of \$100,000 made by Ken Rowe and seconded by Dr. Cooper. Motion passed unanimously.  John Kennedy and Bill Lissau were not present for the vote.</p>
<p><b>3.b. Board of Investors Update – Estimate of FY 2011 Earnings</b>  Travis reported on the previous projected certification based on January 1, 2010 which was \$16.7 million. He indicated that there were several things that could positively impact the amount available for certification, including the recent settlement payment which would generate income for the remainder of the year.</p>	
<p>John Kennedy arrived.</p>	

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<p><b>4.a. Program Development Committee Report – Fitness and Nutrition Strategic Planning Efforts – Presentation on Fitness and Nutrition in Oklahoma, Results from Regional Logic Modeling Sessions</b></p> <p>Sarah Samuels reviewed the strategic planning process conducted since January 2010 to gain input into what would be the most effective and feasible strategy for addressing the obesity epidemic in Oklahoma. This included in depth interviews with key informants, board members, and four regional logic modeling sessions held in Oklahoma City, Tulsa, Lawton, and McAlester. She indicated that all of the findings would be provided in a final report which could be posted on the TSET web site and distributed widely. said they would share all the findings from their research and information gathering.</p> <p>The vision for Healthy Eating and Physical Activity for Oklahomans that emerged from the planning process focusing on three priority areas.</p> <ul style="list-style-type: none"> <li>- Schools/After School Programs</li> <li>- Communities/Neighborhoods</li> <li>- Workplaces/Businesses</li> </ul> <p>Principles for planning and implementing the program in Oklahoma</p> <ul style="list-style-type: none"> <li>- Focus on changing physical and nutrition environment</li> <li>- Build on existing resources and successes that have already occurred and expand on those</li> <li>- Each of the priority areas should have a strong focus on both nutrition and physical activity</li> <li>- Pursue a comprehensive community based program that integrates all of these priority areas and ramps up over time as funding and additional resources become available.</li> </ul> <p>Liz Schwarte stated that it was the recommendation of Samuels &amp; Associates that the board adopt the collaboratively developed logic model.</p> <p>Bill Lissau arrived.</p> <p>Liz described a five-year roadmap which was provided in two phases; Phase 1 year 1-3, and Phase 2 year 4-5.</p> <p><b><u>Phase 1 Infrastructure (areas of comprehensive planning) would consist of:</u></b></p> <ul style="list-style-type: none"> <li>- Communications including multiple components such as electronic media, and materials to assist grantees and partners in discussing issues</li> </ul>	

<p style="text-align: center;"><b>Agenda Items and Discussions</b></p>	<p style="text-align: center;"><b>Action and Follow-up</b></p>
<ul style="list-style-type: none"> <li>- Evaluation to include defining outcomes and measures that are closely tied to the outcomes of the logic model, development of research questions and an overall evaluation design, collection of baseline data during the first year of the initiatives.</li> <li>- Technical Assistance would need to be provided locally, and include periodic convening of grantees at the regional and state levels. It is recommended that a group of technical assistance providers be identified, but that TSET have the responsibility for coordinating and convening the technical assistance providers.</li> </ul> <p><b>Community Grantmaking</b>                      It is recommended that TSET make comprehensive community based grants that the grantees be required to develop their own logic models and strategic plans that will complement or be in conjunction with the overall initiative logic model so that there will be cohesion in all parts of this initiative. It is also recommended that there be a planning period for up to six months or longer, where new grantees integrate into the initiative as more resources become available.</p> <p><b>Building the Momentum – these are the activities that will help propel this initiative forward. It is recommended that TSET be a visible partner in this work and trusted in the area of fitness and nutrition.</b></p> <ul style="list-style-type: none"> <li>- Periodic stakeholder convening’s would include other philanthropies and a variety of partners to help build this shared agenda.</li> <li>- Media Campaigns occurring in year two or three. It is recommended that TSET pursue a media campaign that is linked as closely as possible to the strategies implemented by the communities and a policy platform that has been developed at the state and local level.</li> </ul> <p><b><u>Phase 2 (years 4-5)</u></b></p> <ul style="list-style-type: none"> <li>- Continue Phase 1 activities. It is encouraged that there be a period of reflection, discussion and dialogue with all grantees involved in the work around the lessons learned during phase 1 and that those variances be considered. TSET should engage in a process to make changes to the initiative as needed and update the logic model accordingly.</li> </ul>	

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<p><b>Final Recommendation</b></p> <ul style="list-style-type: none"> <li>• TSET can serve as an important leader in the field and build on the existing partnerships that currently exist.</li> <li>• Build on the progress that is already being made in the state to seek out those partners and build synergy with the tobacco control movement.</li> <li>• Identify and deepen a local policy agenda that can also inform a statewide policy agenda.</li> <li>• Invest in communities to lead these changes across the state.</li> <li>• Evaluation is important in measuring the impact of this work and to help build the evidence in the field that need to grow evidence and show what can be effective.</li> <li>• Use this as an opportunity to create a real learning community where everyone can learn from each other.</li> </ul> <p>Next Steps:</p> <ul style="list-style-type: none"> <li>- Set a budget for the next year</li> <li>- Use the logic model as the roadmap to move forward in your implementation plan</li> <li>- Samuels &amp; Associates will continue to work with staff on a preliminary evaluation design based on the logic model and roadmap. The evaluation plan can be adjusted as a local evaluator is identified.</li> <li>- Community granting will be several months down the road. How that is implemented will play a large role in determining TSET’s staffing needs.</li> </ul> <p>Casey Killblane commented that she thought it had served the board well to support public policy at arm’s length and that she would like the board to avoid direct public policy advocacy.</p>	<p>Program Development Committee recommended the board accept the logic model for funding Fitness and Nutrition programs. Motion passed unanimously.</p>
<p><b>5.a. Chair’s Report – Upcoming Board Meeting Dates and Retreat Location for 2010</b> Casey Killblane said the next board meeting would be September 9, 2010, and the board retreat would be November 17-18, 2010 in Tulsa at Post Oak Lodge.</p>	
<p><b>5.b. Chair’s Report – Ethics Commission Reports</b> Casey Killblane reported that all appropriate board and staff members had submitted the required financial interests forms to the Ethics Commission.</p>	
<p><b>5.c. Chair’s Report – Recognition of Donald Cooper, M.D.</b> Casey Killblane reported that Dr. Donald Cooper had resigned from the board. The board presented Dr. Cooper with a plaque in appreciation for his service.</p>	

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<p><b>5.d. Chair’s Report – Consideration and Possible Action on Endorsement of the Oklahoma Health Improvement Plan</b> Casey Killblane introduced a resolution regarding the Oklahoma Health Improvement Plan.</p>	<p>Motion to adopt the resolution endorsing the Oklahoma Health Improvement Plan made by Susan Bizé and seconded by Bill Lissau. Motion passed unanimously</p>
<p><b>5.e. Chair’s Report – Presentation – TSET “Brand” Development</b> Tim Berney, President and CEO of Visual Image, Inc. reported that he had conducted approximately 30 in-depth interviews with various TSET board members, elected officials, grantees, partner organizations, and other stakeholders. This began a process of developing brand attributes, a brand position, and brand vision to guide the agency’s messaging and external communications. He said that the brand vision should guide everything TSET does. A specific brand name is not necessarily needed. Mr. Berney said Visual Image is recommending that TSET adopt the brand vision, “TSET. Better Lives Through Better Health” because ultimately it is TSET’s highest calling and describes what TSET does. He said the next step would be to develop a logo, brand strategy and communications plan. The board reviewed several potential logos.</p>	<p>Motion to adopt the brand vision, “TSET Better Lives Through Better Health” made by Dr. Foster and seconded by John Kennedy. Motion passed unanimously.</p> <p>Motion to allow staff to finalize the logo, in consultation with the Agency Operations Committee, made by Dr. Foster and seconded by Ken Rowe. Motion passed unanimously.</p>
<p><b>6.a. Director’s Report – Introduction of New Staff Member, Holly Gray, Health Communication Manager</b> Tracey Strader introduced TSET’s new staff person Holly Gray.</p>	
<p><b>6.b. Director’s Report – Agency Updates</b> Tracey Strader said the FY 2009 Annual Report would be distributed soon; she updated the board on the approved new office space at 3800 N. Classen Blvd., Suite 200, in Oklahoma City, and announced that the agency’s permanent administrative rules had been approved. The rules would be considered permanent effective June 25, 2010.</p>	
<p><b>6.c. Director’s Report – Other Updates</b> Tracey Strader provided updates on recent training events, and upcoming training opportunities. She also announced that the service provider for the Oklahoma Tobacco Helpline, Free &amp; Clear, Inc., was hiring workers (quit coaches) in Oklahoma and would start the first training class in early June. Ms. Strader also described her plan to visit a variety of Oklahoma’s communities to learn more about their unique characteristics, opportunities and challenges. These insights might help inform future program approaches and decisions.</p>	
<p><b>7.a. Program Development Committee Report – Discussion and Possible Action on Contract with the Oklahoma Health Care Authority for Federal Match for Health Communications Focused on SoonerCare Beneficiaries and Providers</b> Susan Bizé reported that TSET staff were working to develop a contract with OHCA which would provide a 1:1 federal match for a campaign to promote smoking cessation benefits to SoonerCare members and health care providers. When this type of campaign was</p>	<p>Program Development Committee recommended pursuit of contract with OHCA for a health communications campaign focused on SoonerCare Beneficiaries and Providers. Motion passed unanimously.</p>

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<p>implemented in Massachusetts, the smoking prevalence among Medicaid members decreased dramatically.</p> <p><b>7.b. Program Development Committee Report – Update on Progress on Communities of Excellence in Tobacco Control (Wave III) Request for Proposals</b>                      Jonás Mata reported that the Request for Proposals was issued in March and an applicant workshop was held in April. The deadline for submission of proposals in response to the RFP is June 28, 2010. An external review process will be conducted and recommendations for award will be made in September.</p>	
<p><b>7.c. Program Development Committee Report – Discussion and Possible Action on Unsolicited Proposal from the Oklahoma Nurses Association</b>                      Jonás Mata reported that the Oklahoma Nurses Association had submitted a brief proposal under the unsolicited proposals funding opportunity. He said the board directed him to see if they could collaborate with the Oklahoma Hospital Association grantee. Mr. Mata said that after further exploration with the ONA and OHA it was determined that the proposed approach was not a good fit for the Hospital Association’s initiative.</p>	<p>Program Development Committee recommended that the board not request development of a full proposal from the Oklahoma Nurses Association. Motion passed unanimously.</p>
<p><b>8.a. Program Implementation Committee – Presentation – Oklahoma Tobacco Research Center, Phase II</b>                      Dr. Robert Mannel, Director of the OU Cancer Institute, reported that after the last TSET board meeting he was able to negotiate support and hire two additional OTRC faculty using FY 2010 funding, and support a lung cancer faculty recruit in FY 2011. Dr. Mannel has created a tobacco-related cancers plan (Phase II of the OTRC) in collaboration with the Oklahoma Hospitals Trust Authority, OU Medical Center, and President Boren. The plan includes a commitment for 31 clinician researchers over five years, 17 of which would be dedicated to tobacco related cancers. He said any dollars that TSET provides would be matched dollar to dollar. Dr. Mannel discussed the leadership roles within OTRC, described the tobacco-related cancers program over a five year period, and described a plan to begin with lung cancer, phase I clinical trials, and move into research in other tobacco-related cancers over the five year period. He indicated that any TSET funding would be matched dollar for dollar. Dr. Robert McCaffree affirmed that this was one of the best opportunities for leveraging additional funding and resources. Dr. Mannel requested an ideal Phase II commitment of \$2 million in year 1, \$4 million in year 2, \$6 million in year 3, \$8 million in year 4, and \$10 million in year 5, based on available TSET earnings. He indicated that any amount of additional funding would be focused on this plan.</p>	

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<p><b>8.b. Program Implementation Committee – Presentation – FY 2010 Tobacco Control Health Communications Updates</b>                      Sjonna Paulson reported on the production of the new set of three television ads using the “burnhole” concept and another ad specifically designed to encourage pregnant women to quit smoking. Formative research was conducted which involved in-depth interviews with women who had used the Helpline during their pregnancies. These insights were used in developing the ad. Ms. Paulson reviewed a variety of ads and health communications materials which had been developed for use by the grantees.</p>	
<p><b>8.c. Program Implementation Committee – Discussion and Possible Action on Health Communications Plans for FY 2011</b></p>	<p>Program Implementation Committee recommended approval of the Health Communications Plan for FY 2011. Motion passed unanimously.</p>
<p>Dr. Foster asked Dr. Robert McCaffree, a representative of the Oklahoma Center for Adult Stem Cell Research (OCASCR) Steering Committee, to bring the board up to date on the adult stem cell research initiative. Dr. McCaffree reported that OCASCR has a web site at <a href="http://www.ocascr.org">www.ocascr.org</a>, and had awarded some initial grants to the University of Oklahoma, Oklahoma State University, and Oklahoma Medical Research Foundation. He also stated that a series of speakers were planned for the next year. Dr. Foster asked that he be notified when they would be having speakers.</p>	<p>Dr. McCaffree said he would make sure Dr. Foster was on the list of people to be notified.</p>
<p><b>8.d. Program Implementation Committee – Discussion and Possible Action on Interagency Agreement between the Oklahoma State Educators and Employees Group Insurance Board and TSET for Oklahoma Tobacco Helpline Services</b>                      Tracey Strader reported the State of Oklahoma is very concerned about its high insurance rates and is trying to address the behavioral health issues that lead to those high costs. OSEEGIB hired an independent consultant to help them identify health improvement measures and the consultant recommended that OSEEGIB contract for Helpline services. A cost-sharing arrangement was proposed in which TSET would cover registration, call-1, and a 2-week starter kit of nicotine replacement products. OSEEGIB would cover all other calls, and additional weeks of nicotine replacement products. OSEEGIB would also pay some start up costs to enable Free &amp; Clear to verify eligibility, customize the database, provide customized reporting, and assist with marketing materials. OSEEGIB would also pay TSET an administration fee and additional funding for the TSET contract with the University of Oklahoma for additional evaluation. Staff have estimated that if the benefit is heavily promoted by TSET and OSEEGIB, OSEEGIB’s contribution for the additional utilization may reach approximately \$300,000 in FY 2011.</p>	<p>Program Implementation Committee recommended approval of the Interagency Agreement with OSEEGIB for Helpline Services for HealthChoice members. Motion passed unanimously.</p>

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<p><b>8.e. Program Implementation Committee – Discussion and Possible Action on Proposed Benefit Design for Insured Callers to the Oklahoma Tobacco Helpline</b>                      Tracey Strader asked the board to approve a new Helpline benefit design in which TSET would fund services for privately insured Helpline callers that would mirror those funded for HealthChoice members. This would limit privately insured callers to registration, one call, and a two-week starter kit of nicotine replacement products. If private insurers wish to provide additional quitline services for their members, they can purchase those services from Free &amp; Clear or the quitline provider of their choosing. If a private insurer purchased quitline services through Free &amp; Clear those eligible callers would be transferred to that insurer’s contract. If the insurers chose a different quitline provider, callers could be “warm transferred” to the other quitline, without having to make a call to a new phone number.</p>	<p>Program Implementation Committee recommended approval of the new Helpline benefit design, consisting of registration, one call, and a two-week starter kit of nicotine replacement products, for privately insured callers. Motion passed unanimously.</p>
<p><b>8.f.i – ix.2. Program Implementation Committee – Discussion and Possible Action on Renewal of program Grants and Contracts for FY 2011</b>                      Tracey Strader reviewed all FY 2011 Programs contracts with the board for approval.</p>	<p>Program Implementation Committee recommended approval of grant and contract renewals as a slate for FY 2011 Programs. Motion passed unanimously.</p> <p>Grant and Contract Renewals:</p> <ul style="list-style-type: none"> <li>Oklahoma Tobacco Helpline Services - Free &amp; Clear, Inc. \$5,300,000 (includes \$775,000 from OSDH and \$300,000 from OSEEGIB)</li> <li>Youth Access to Tobacco Enforcement – Oklahoma Department of Mental Health and Substance Abuse Services (\$288,000)</li> <li>Tobacco Control State Program Office Services - Oklahoma State Department of Health, Tobacco Use Prevention Services (\$475,000)</li> <li>Tobacco Control Evaluation – University of Oklahoma College of Public Health, Department of Biostatistics and Epidemiology (\$741,000)</li> <li>Marketing Services - Visual Image, Inc. and/or other vendors (\$4,742,500)</li> <li>National Alliance for Tobacco Cessation (Become An Ex campaign) – American Legacy Foundation (\$169,000)</li> <li>Web Site Services – Ok.gov (\$119,000)</li> <li>Graphic Design – Shauna Schroder (\$3,000)</li> <li>Tobacco Control on OSU Campuses Statewide – OSU Seretean Wellness Center (\$100,000)</li> </ul>



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	<p>Tobacco Control for Deaf and Hard of Hearing – Communication Services for the Deaf (\$100,000)                      Oklahoma Insurance Department (\$125,000)                      Oklahoma Hospital Association (\$190,000)                      Oklahoma Department of Mental Health and Substance Abuse Services (\$235,000)                      Oklahoma Health Care Authority (\$240,000)                      Oklahoma Tobacco Research Center (Phase I) – University of Oklahoma Cancer Institute (\$1,100,000 – plus carryover from FY 2010)                      Oklahoma Center for Adult Stem Cell Research – Oklahoma Medical Research Foundation (\$1,000,000 plus carryover from FY 2010)                      Tulsa Fitness and Nutrition Pilot Project – Indian Health Care Resource Center (\$341,849)                      Foundation Management, Inc. (\$10,000)                      Tobacco Technical Assistance Consortium (\$10,000)</p>
<p><b>9.a. Agency Operations Committee – Discussion and Possible Action on TSET Staffing Needs</b>                      Ken Rowe discussed the staff accounting needs for the agency. Many of staff’s roles involve accounting tasks which have been performed from the agency’s inception. With the agency’s growth, the workload has become too great and there is no professional accountant on staff. Although TSET does outsource most financial management functions to the Office of State Finance, TSET still needs to run tracking spreadsheets and reconcile with OSF on a regular basis. Mr. Rowe indicated that it would be helpful to have the information in-house and have that person who would have institutional knowledge with TSET. Tracey Strader said the consultants from OU Health Sciences Center recommended TSET hire an accountant to assist with the tracking and management reporting needed to make program decisions and keep track of expenditures, in close collaboration with the financial management staff at OSF.</p>	<p>Agency Operations Committee recommended of a new Accountant position for TSET. Motion passed unanimously.</p>
<p><b>9.b. Agency Operations Committee – Discussion and Action on TSET Wellness Policy</b>                      Tracey Strader offered a draft Wellness Policy which would require that any meetings sponsored by TSET that offer refreshments must offer healthy options. The policy would also allow up to 30 minutes a day for physical activity onsite or at an offsite location with approval from the supervisor.</p>	<p>Agency Operations Committee recommended approval of the TSET Wellness Policy. Motion passed unanimously.</p>

Agenda Items and Discussions	Action and Follow-up
<p><b>9.c.i. Agency Operations Committee – FY 2010 Third Quarter Budget to Actual - Operating Budget</b> Ken Rowe reviewed second quarter budget Operating expenditures.</p>	
<p><b>9.c.ii. Agency Operations Committee – FY 2010 Third Quarter Budget to Actual - Programs Budget</b> Ken Rowe reviewed second quarter budget Programs expenditures.</p>	
<p><b>9.d. Agency Operations Committee – Consideration and Possible Action on FY 2010 Programs Budget Revision</b> Ken Rowe reviewed the Programs budget revision which reduced the originally budgeted amount for the enforcement grant with the Oklahoma Department of Mental Health and Substance Abuse Services from \$350,000 to \$188,000; increase the budget for consultation to cover the work conducted by Samuels &amp; Associates, and increase funding for the Helpline by \$112,000.</p>	<p>Agency Operations Committee recommended approval of the Programs budget revision for FY 2010. Motion passed unanimously.</p>
<p><b>9.e.i. Agency Operations Committee – Consideration and Possible Action on FY 2011 Preliminary Operating Budget</b> Ken Rowe said the Operating budget includes a new accountant position, continues to include funding for grants management software and adds moving expenses.</p>	<p>Agency Operations Committee recommended approval of the Preliminary Operating budget for FY 2011. Motion passed unanimously.</p>
<p><b>9.e.ii. Agency Operations Committee – Consideration and Possible Action on FY 2011 Preliminary Programs Budget</b> Ken Rowe pointed out that the Programs budget included the newly filled Communications Manager for the entire year, \$1 million for the Fitness and Nutrition initiatives, and reduces the unsolicited proposals budget to \$250,000.</p>	<p>Agency Operations Committee recommended approval of the Preliminary Programs budget for FY 2011. Motion passed unanimously.</p>
<p><b>10. New Business – Any Matter Not Known About or Which Could Not Have Been Reasonably Foreseen Prior to the Time of Posting the Agenda (25 O.S. § 311 (A)(9))</b> Casey Killblane called for new business. There was no new business.</p>	
<p><b>11. Public Comment</b> Casey Killblane called for public comment. There was no public comment.</p>	
<p><b>11. Adjournment</b></p>	<p>Motion to adjourn made by Bill Lissau and seconded by Dr. Foster. Motion passed unanimously.</p>