

Oklahoma Tobacco Settlement Endowment Trust
Board of Directors
Minutes
February 16, 2012

Board of Directors' Members Present: Kenneth D. Rowe, Casey Killblane, Susan Walters Bizé, George E. Foster, O.D., Jim Gebhart, W.R. Lissau, Lisa Nowlin, D.D.S.,

Staff Present: Tracey Strader, Jonás Mata, Sjonna Paulson, Julie Bisbee, Lance Thomas, Dorothy Antwine

Guests Present: Marla Baker, Laura Beebe, Phd, Julie Cox-Kain, Joel Frost, John Kennedy, Robert McCaffree, M.D., Travis Monroe, Jan Preslar, Greta Puckett, Georgiana Stephens, Aimee VanWagoner

Agenda Item and Discussion	Action and Follow-up
<p>1. Open Meeting Act Announcement and Call to Order 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. He called the meeting to order at 10:02 a.m.</p>	
<p>2.a. Approval of Minutes of the November 16, 2011 Special Joint Meeting with the Board of Investors</p>	<p>Dorothy Antwine will make the minutes part of the permanent record.</p> <p>Motion made to approve minutes of the Special Joint Board Meeting and the Regular Board of Directors Meeting November 16, 2011 made by Susan Bizé and seconded by Dr. Foster. Motion passed unanimously.</p>
<p>2.b. Approval of Minutes of the November 16-17, 2011 Regular Board Meeting and Retreat</p>	
<p>(Second Item)4.a. Chair's Report – Recognition of Travis Monroe, former Director of Agency Services, Office of the State Treasurer The board recognized and presented a token of appreciation for Travis Monroe's 8 years of work at the State Treasurer's Office and with the TSET Board of Directors.</p>	
<p>(3rd item)4.b. Chair's Report – Introduction of New Board Member, Jim Gebhart Chairman Rowe introduced Jim Gebhart, CEO of Mercy Health System as the Attorney General's appointee to the board.</p>	
<p>(4th item)4.c. Chair's Report – Recognition of Former Board Member, John Kennedy. Chairman Rowe recognized John Kennedy's service to the TSET Board of Directors. Board of directors presented Kennedy with a plaque of appreciation.</p>	
<p>3.a. Board of Investors Update – Update from the February 15, 2012 Meeting of the Board of Investors Georgiana Stephens from the State Treasurer's office reported that the Board of Investors on February 15, 2012, discussed changing the asset mix for the TSET investments and will bring real estate managers to the next meeting for further discussion. Stevens also said the Board of Investors approved the Settlement Agreement between the board of investors and board of directors, to address the issue of earnings that would have been certified over past years, if the current definition of earnings had been applied.</p>	

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<p>3.b. Board of Investors Update – Estimate of FY 2012 Earnings For the calendar year, the trust generated an income yield of 4.7 percent. For the fourth quarter, the trust had a yield of 0.4 percent. Stephens also discussed a change in how earnings were calculated and unrealized losses. Board member Bizé asked for additional information on the change in the earnings. Board member Lissau also asked about manager fees. Georgiana Stephens said she would get additional information and email board members.</p>	<p>Georgiana Stephens to email board members information to answer questions about management fees.</p>
<p>(5th item) 4.d.i. Chair’s Report – Board Retreat Follow-up Items – Discussion and Possible Action on the Updated Strategic Plan Board members discussed updating the TSET Board of Directors Strategic Planning to include language that highlights priority placed on increasing research opportunities and recruiting scientists to TSET-funded programs.</p>	<p>Motion to approve updated strategic plan made Casey Killblane and seconded by Susan Bizé. Motion passed unanimously.</p>
<p>4.d.ii. Chair’s Report – Board Retreat Follow-up Items – Discussion and Possible Action on the Updated Board Manual to Reflect New Allocation of Earnings Policy Board manual update to reflect new allocation of earnings policy approved by the TSET Board of Investors on Feb. 15.</p>	<p>Motion to approve updated board manual to reflect new allocation of earnings policy, made by Casey Killblane and seconded by Bill Lissau. Motion passed unanimously.</p>
<p>4.e. Chair’s Report – Discussion and Possible Action to Establish a Chair’s Appointment of a Designee to Serve on the Stephenson Cancer Center Leadership Board for a Three Year Term</p>	<p>Motion to approve to establish a Chair’s appointment of a designee to serve on the Stephenson Cancer Center Leadership Board for a three year term made by Susan Bizé and seconded by Dr. Foster. Motion passed unanimously</p>
<p>4.f. Chair’s Report – Chair’s Appointment of Designee to Serve on the Stephenson Cancer Center Leadership Board Chairman Rowe appointed Vice chair Casey Killblane be the TSET Board of Director’s appointee to the Stephenson Cancer Center leadership board.</p>	
<p>4.g. Chair’s Report – Discussion and Possible Action on Settlement Agreement with the Board of Investors Arising out of 2011 OK AG 11 Chairman Rowe thanked board member Bizé for her work on the settlement agreement with the TSET Board of Investors. Rowe said the language reflects the cooperative nature in which the two boards work together.</p>	<p>Motion to approve action on settlement agreement with the Board of Investors arising out of 2011 OK AG 11 made by Casey Killblane and seconded by Bill Lissau. Motion passed unanimously.</p>
<p>4.h. Chair’s Report – Review of Upcoming Board Meeting Dates for 2012 May 17, 2012 Sept. 13, 2012 Nov. 14-15, 2012 – Board Retreat</p>	
<p>4.i. Chair’s Report – Upcoming Ethics Commission Reporting Board members were reminded to fill out their forms for Ethics Commission Reporting.</p>	
<p>5.a. Director’s Report – Introduction of New Public Information and Outreach Officer, Julie Bisbee Director Tracey Strader introduced new Public Information and Outreach Officer, Julie Bisbee.</p>	

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<p>5.b. Director’s Report – Update on Training and Events Strader also discussed upcoming events such as the March 1 Certified Health Event. Strader also highlighted the upcoming, “Weight of the Nation” conference through the Centers for Disease Control and Prevention in May. In August, the national conference on Tobacco or Health, Kansas City, Kan. Health Communications Director Sjonna Paulson said updated board members on February communications training for grantees.</p>	
<p>5.c. Director’s Report – FY 2012 Conference Sponsorships Paulson also updated the board on remaining funds in TSET’s Conference Sponsorship budget. The balance of the fund is: \$12,300. ;’</p>	
<p>5.d. Director’s Report – Staffing Updates Strader said the grants manager position remains open and the position for the Healthy Schools Incentive Grants Program Manager has been posted.</p>	
<p>6.a.i. Program Implementation Committee Report – Discussion and Possible Action on Communities of Excellence in Tobacco Control Grantees Previously on Conditional Funding – Pontotoc County Health Department (Wave 3) Board member Killblane said the board’s committee agreed with staff recommendations and moved to vote on all three grantees. Board members had no questions.</p>	
<p>6.a.ii. Program Implementation Committee Report – Discussion and Possible Action on Communities of Excellence in Tobacco Control Grantees Previously on Conditional Funding – KIBOIS Community Action Foundation (Wave 3)</p>	
<p>6.a.iii. Program Implementation Committee Report – Discussion and Possible Action on Communities of Excellence in Tobacco Control Grantees Previously on Conditional Funding – Langston University (Wave 2)</p>	<p>Program Implementation Committee made a recommendation to approve Communities of Excellence in Tobacco Control grantees previously on conditional funding on Pontotoc County Health Department (Wave 3), KIBOIS Community Action Foundation (Wave 3), and Langston University (Wave 2). Motion passed unanimously.</p>
<p>6.b. Program Implementation Committee Report – Discussion and Possible Action on Recommendation of a Six-Month Extension of the Agreement with Visual Image Marketing and Branding (RFP #0929000508) Program Implementation Committee approved contract extension, changing end date from July 1 to Dec. 31, 2012. Tracey Strader said the group needs more time to look at available options to meet the needs of TSET. Strader said former board member John Kennedy has agreed to assist in the process. Board member George Foster asked the price range for the media contract during the extension period. Health Communications Director Sjonna Paulson said the contract could range between \$2 million and \$4 million. Board vice chair Casey Killblane said the extension would allow projects to continue forward while staff and board work on the RFP.</p>	<p>Program Implementation Committee made recommendation to approve a six-month extension of the agreement with Visual Image Marketing and Branding (RFP #092000508). Motion passed unanimously.</p>

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<p>6.c. Program Implementation Committee Report – FY 2012 Tobacco Control Health Communications Updates Board vice chair Casey Killblane said she received many questions about a recent ad that said each Oklahoma household pays \$548 in taxes to help pay for smoking-related illnesses. Health Communications Director Sjonna Paulson said the number comes from the Campaign For Tobacco Free Kids and has already been updated. The number represents the state and federal tax burden related to smoking, Paulson said. Paulson also reported that Hawaii was expressed interest in using the Oklahoma template for Spanish language materials for cessation. New Mexico is using Oklahoma’s 24-7 SWAT campaign. Board chairman Ken Rowe asked how many total schools have adopted a 24/7 tobacco free policy. Paulson said about 248 school districts currently have that policy in place. TSET has also received requests from Alabama, Utah, South Dakota, the Chickasaw Nation and Americans for Nonsmokers’ Rights to use TSET media products. Paulson also presented several new ad campaigns to the board and discussed their use including: “Killer Fantasy,” “Cities,” “Losing to Texas,” and “Foot Billboards,” which feature a toe-tag that reads 5320 – the number of preventable deaths in Oklahoma each year. Board member Jim Gebhart asked if the ads were available for public use or could be placed on other websites. Paulson said the ads were available for public use, as long as the use complied with the contract and talent fee agreements.</p>	<p>Tracey Strader will send an email to board members with the source on the figure for the \$548 figure.</p>
<p>6.d. Program Implementation Committee Report – Update on Evaluation of Oklahoma Tobacco Helpline Single Call Program and Fax Referrals Dr. Laura Beebe, evaluator, updated the board on the Oklahoma Tobacco Helpline Single Call program and fax referrals from medical providers. Dr. Beebe reported that the single call plus NRT benefit shows similar satisfaction and quit rates, but some of this may be due to more quit-promoting characteristics among those with health insurance. Fax referrals increased over time and linked to efforts of CSI grantees and Tulsa CX (St. John’s). Percent of fax referrals accepting services has remained stable at ~50%. Dr. Beebe also pointed out that the cessation services and treatment are under the same roof at the Stephenson Cancer Center. Patients who say they smoke are automatically referred for services and must opt out. Killblane praised the OTRC’s approach to ensuring patients with a cancer diagnosis are offered treatment and cessation services. Health Communications Director Sjonna Paulson said Oklahomans are also using an online tobacco cessation coaching services and registrations are up over the past 5 months. Killblane asked if there is a way in the evaluation process to see if people are using the online services or the hotline. Beebe said there is currently no component in the evaluation process to assess that information, but she is putting a plan in place to do so.</p>	<p>Create an evaluation plan to look at the utilization of online cessation services. – Dr. Beebe</p>

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<p>7.a. Program Development Committee Report – Discussion and Possible Action on Revisions to the Unsolicited Proposals Program Guidelines and Criteria Board member Dr. George Foster said the committee recommended accepting proposals all year round and removing the requirement for a 50 percent match on unsolicited proposals. Foster said there would continue to be a preference for proposals that included multiple funders.</p>	<p>Program Development Committee made recommendation to approve the revisions to the Unsolicited Proposals program guidelines and criteria. Motion passed unanimously.</p>
<p>7.b. Program Development Committee Report – Update on Status of the Request for Proposals for Communities of Excellence in Tobacco Control (Wave II, Round 2) Jonas Mata, director of grants and programs, updated board members on the RFP process for Wave 2 grantees in tobacco. The RFP is expected to be released online in March. Mata said staff was also working to clarify the grant process and make it more user-friendly.</p>	
<p>7.c. Program Development Committee Report – Update on Implementation of Healthy Communities Incentive Grants Program Dr. George Foster said applications for the Healthy Community Incentive Grants would be accepted through Feb. 29. The grants will be evaluated by Dr. Laura Beebe to see if incentives promoted cities to do things to become certified, said Tracey Strader, executive director.</p>	
<p>8.a.i. Agency Operations Committee – FY 2012 Second Quarter Budget to Actual – Operating Budget Board member Bill Lissau said TSET’s operating budget was 30 percent spent through December. Those expenses include recent grants to the Stephenson Cancer Center and an increase in the budget for Health Communications.</p>	
<p>8.a.ii. Agency Operations Committee – FY 2012 Second Quarter Budget to Actual – Programs Budget Bill Lissau stated that the programs were spending as expected given the reimbursement nature of the grants. As expected, newer grantees, and health communications are spending at a slower rate at this time of the year.</p>	
<p>8.b. Agency Operations Committee – Update on Status of Grants Management Software Implementation Jonás Mata reported that he and Sharon Neal have been meeting with Agate every Monday in preparation for the launch of the new software system. Applicants under the Communities of Excellence Wave 2, Round 2 initiative will be able to apply online, and the proposals will be reviewed online.</p>	
<p>9.a. Proposed Executive Session – Review and Discussion of Unsolicited Proposals, as authorized by the Open Meeting Act – 25 O.S. § 307(b)(7) and as Required to Preserve Confidentiality Under 62 O.S. Supp. 2006, § 2309(C)(4).</p>	<p>Motion made to move into Executive Session made by Casey Killblane and seconded by Jim Gebhart. Motion passed unanimously.</p> <p>Motion made to move out of Executive Session made by Dr. Foster and seconded by Susan Bizé. Motion passed unanimously.</p>

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<p>9.b. Proposed Executive Session – Consideration and Possible Action on Items From Executive Session</p>	<p>Motion made by the Program Development Committee to approve unsolicited proposals to fund a loan repayment program proposal from the Physician’s Manpower Training Program with a TSET representative to assist in developing the criteria. Motion passed unanimously.</p> <p>Motion made by the Program Development Committee to approve a proposal from the Governor’s office to develop a fitness room at the State Capitol. Motion passed unanimously.</p> <p>Motion made by the Program Development Committee to accept two full proposals from the Oklahoma Health Care Authority. Motion passed unanimously.</p>
<p>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)] Ken Rowe called for new business. There was no new business.</p>	
<p>11. Public Comment Ken Rowe called for public comment. There was no public comment.</p>	
<p>12. Adjournment</p>	<p>Motion made to adjourn made by Jim Gebhart and seconded by Bill Lissau. Motion passed unanimously.</p>