

**Oklahoma Tobacco Settlement Endowment Trust
Board of Directors
Minutes**

February 27, 2014
Stephenson Cancer Center

Board of Directors Members Present: Casey Killblane, George E. Foster, O.D., Jim Gebhart, Curtis Knoles, Lisa Nowlin, D.D.S., Kenneth D. Rowe, Don Millican

Staff Present: Tracey Strader, Dorothy Antwine, Julie Bisbee, Jonás Mata, Sjonna Paulson; Janet Love, Elyse Maxwell, Whitney Dinger

Guests Present: Frank Merrick, president, Foundation Management; Robert McCaffree, M.D.; Greta Anglin, Beth Armstrong, Lindsey Funk, Laura Thompson, Robbie Repola, Matt Lowery, Abby Coyle, Visual Image

Agenda Item and Discussion	Action and Follow-up
<p>1. Open Meeting Act Announcement and Call to Order TSET Board of Directors Chairman Casey Killblane called the meeting to order at 10:04 a.m.</p>	<p>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. She called the meeting to order.</p>
<p>2. Approval of minutes of the December 3 and 4 Regular Board Meeting and Retreat Killblane asked if there were any changes needed for the meeting minutes. There were none. (Don Millican was absent.)</p>	<p>Motion to approve December 3 and 4, 2013 regular board and retreat meeting minutes made by Rowe and seconded by Foster. Motion passed unanimously.</p>
<p>3. Update from the Board of Investors and additional certified earnings – Lisa Murray, Chief Investment Officer, Office of the State Treasurer Lisa Murray provided a presentation on the TSET performance summary (see slide handout) and update on Board of Investor (BOI) action. Murray said the market value of the TSET fund totals \$878,370,687, fully allocated with less than \$1,000 in cash held with BOK Trust. There was not much optimism from NEPC for equities going forward with modest returns expected. BOI are currently updating investment policy by lifting high yield money manager constraints to provide more access. Core fixed income managers opened their funds up to unconstrained accounts, which allowed access to best performers in the bond market and reduced risk from rising interest rates. Moving into a more defensive position due to the possibility of rising interest rates. Board Member Ken Rowe asked what the target is for equities. Murray said its 40 percent. Rowe asked what the target is for fixed income, Murray said it is 45 percent. (Don Millican arrives)</p>	
<p>4.a.i. Chair’s Report – Board Retreat follow up items – Strategic Plan Update Directors reviewed the current status of the TSET strategic plan measures. Killblane said staff is working</p>	<ul style="list-style-type: none"> • TSET staff will provide TSET Strategic Plan update recommendations at the May Board

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on updating current measures and identifying additional nutritional outcomes and will bring recommendations for the May Board meeting.	meeting.
<p>4.a.ii Chair’s Report – Committee Assignments Killblane said that committee assignments for board members will remain the same. A list of committee chairs is in the board packet.</p>	
<p>4.a.iii Chair’s Report – Discussion and possible action of TSET Public Outreach Committee description Killblane referred to the Public Outreach Committee description in the board packet. Killblane said the committee will include outside individuals and will be tasked to promote and educate on TSET. Killblane nominated Ken Rowe to be chairman. Killblane said the committee will also include consultant Frank Merrick and former board member John Kennedy.</p>	Motion to approve description of the TSET Public Outreach Committee made by Gebhart and seconded by Knoles. Motion passed unanimously.
<p>4.b. Chair’s Report --Review of upcoming board meeting dates for 2014 Killblane lists upcoming board meeting dates for the remainder of the year:</p> <ul style="list-style-type: none"> • May 15, 2014 • Sept. 11-12, 2014, Board Retreat • Nov. 13, 2014 <p>Killblane discussed having the board retreat at the Chickasaw Retreat and Conference Center near Davis. TSET staff confirmed that tentative reservations were made and will be confirmed.</p>	<ul style="list-style-type: none"> • Killblane to host board for dinner at the ranch. • Calendar invites to be sent to board members for remaining meeting dates. • TSET will confirm retreat facility.
<p>4.c. Chair’s Report -- Upcoming Ethics Commission Reporting Killblane said ethics forms are in the board packet and need to be returned to staff by end of March.</p>	<ul style="list-style-type: none"> • TSET will follow-up with board members to complete ethics form requirements.
<p>5.a. Director’s Report – Tracey Strader, Executive Director – Staffing Undated Tracey Strader introduced Janet Love, MPH, CHES, assistant to the director and board secretary. Strader also introduced Elyse Maxwell, MPS, Health Communications Manager. Strader also said staff was in the final stages of program officer interviews and expected additional staff to be on board by the next board meeting.</p>	<ul style="list-style-type: none"> • Provide an updated organizational chart to board with photos and phone numbers at May board meeting.
<p>5.b. Director’s Report – Surgeon General’s 50th Anniversary Report on Smoking and Health Strader updated the Board on the Surgeon General’s 50th Anniversary Report on Smoking and Health that includes the “end game” for tobacco and new findings on the risk of diabetes, macular degeneration, and other health conditions that are now known to be caused by smoking. Strader said the Center for Disease Control and Prevention (CDC) is doing a rollout of media products and stories over the next few months. Strader said the new information was helpful as TSET begins to move into an integrated wellness approach to community-based grants.</p>	

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<p>5.c. Director’s Report –Center for Disease Control and Prevention (CDC) release of updated Best Practices for Tobacco Control Programs Strader reported that the CDC released an updated <i>Best Practices for Comprehensive Tobacco Control</i>, document which included new recommended funding levels and interventions. TSET invested in all areas and will look at current TSET spend rates and recommendations and will bring changes forward as necessary. Strader said staff is currently reviewing the manual to see what sort of impact the recommendations may have on current programs in Oklahoma.</p>	<ul style="list-style-type: none"> • Update and advise board on revisions to the CDC Best Practices in Comprehensive Tobacco Control recommendations and any impacts expected from changes.
<p>5.d. Director’s Report – Update on Training and Events Strader updated board members on upcoming training events listed in their packets. Strader reminded board members of “TSET Day at the Capitol” on April 9th. Strader also suggested board members consider attending the “Preparing for the 7th Generation” conference, which focuses on tobacco prevention among Native Americans. Board member George Foster said it would be good to have board members attend events that TSET sponsors, if possible.</p> <p>Killblane told board members about her experience attending the Certified Health Oklahoma Event, saying it was attended by about 1,000 people, and included representatives from schools, communities, and businesses across the state. She said it was great way to encourage businesses to make healthy choices a priority.</p>	<ul style="list-style-type: none"> • TSET will send calendar invites to board members regarding upcoming events, trainings. • Knoles asks that tentative dates be sent to him as he is scheduled for work, 3 to 4 months out. • Killblane asks for a list of Certified Healthy Oklahoma entities that segregates government entities and non-government entities.
<p>6.a. Public Information and Outreach Report – Julie Bisbee, Public Information and Outreach Officer – Launch of the new TSET website Julie Bisbee provided a presentation of the newly designed TSET website that provides a user-friendly approach to accessing content, which will be updated on a routine basis to include more grantee spotlights and features to educate on what TSET grants are accomplishing across the state. Bisbee introduced intern Whitney Dinger to the board, saying Dinger was helping with many important tasks.</p>	<ul style="list-style-type: none"> • Members are encouraged to explore the website and provide feedback on any edits, errors or great ideas • Bisbee will provide first draft review of the TSET Annual Report.
<p>6.b. Public Information and Outreach Report – Update on the FY 2013 annual report Bisbee said content was being generated and finalized for the FY 2013 annual report. There would also be a one-page executive summary that could be handed out to lawmakers at TSET Day at the Capitol. Millican said TSET should consider doing a report to the people.</p>	<ul style="list-style-type: none"> • Bisbee will provide a draft of the TEST Annual Report at the May board meeting.
<p>6.c. Public Information and Outreach Report – FY 2014 Conference Sponsorships Bisbee directed board members to the list of conference sponsorships and said that the sponsorship application process is now online and several applications have been received. To date, \$46,100 in sponsorship requests have been processed.</p>	

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<p>6.d. Public Information and Outreach Report -- Public Outreach Committee undated Bisbee updated the board on the formation of the Public Outreach Committee. The group has met once in-person and had several phone calls.</p> <p>Bisbee also provided an update on the TSET video history project, saying that several of the original crafters of TSET and ballot language had been interviewed as part of the project. Additional groups, including founding board members, will be taped in April. The resulting products will include many options for communication and outreach efforts. Millican asked what plans there were for the video that is currently on the TSET website. Bisbee mentioned that TSET has an early concept of a print ad of Casey and an OU researcher in development that may have potential. The committee will review all ad products. Bisbee said staff and TSET’s ad firm were also working on concepts for video profiles of board members. Bisbee showed a brief clip of Killblane’s video. There would also be a print ad component with the board profiles. Bisbee showed an example of that.</p> <p>Bisbee also called the board’s attention to two maps, one that showed all current and prospective physicians practicing in Oklahoma as part of the TSET-supported Physicians Manpower Training Commission (PMTTC). The other map showed where Stephenson Cancer Center Phase I clinical trial patients are located, including patients traveling in from out-of-state. The PMTC grant, which is a cost share arrangement with Oklahoma Health Care Authority, will have 14 physicians placed soon and is projected to bring on 10 new physicians each year. Jim Gebhart mentioned that the project has a lot of visibility and opportunities to leverage resources. Rowe said more needs to be done to educate the public about these programs.</p>	<ul style="list-style-type: none"> • Rowe asked that a plan be formed to educate on the PMTC grants and doctors involved in the grant. • Knoles asked for a map of all Helpline users to see how it compares with grants. • The Public Outreach Committee will develop a draft distribution/promotional plan to include social media for review at the May board meeting.
<p>7.a. Program Development Committee Report – Lisa Nowlin, DDS Committee Chair – Update on development of Wellness Initiative Jonás Mata provided an update on the development of the Wellness Initiative saying that much formative research has been conducted to gather feedback on current processes and input into wellness approaches. Mata said focus groups and listening sessions have been held with tobacco and nutrition and fitness grantees and staff, lead agencies, administrators and tribal groups.</p>	
<p>7.b. Program Development Committee Report – Discussion and possible action on consultant agreement with Lawrence Green, PhD, for expert consultation on Wellness initiative Lisa Nowlin said Dr. Green’s bio is in the board packets and the committee recommends a contract with Dr. Green to consult on the Wellness Initiative, as he has tremendous expertise in community-based programs, tobacco control, and obesity prevention. Strader said Green has national experience helping to</p>	<p>Program Development Committee recommended approval of the consultant agreement with Lawrence Green, PhD, in the amount of \$10,000 for expert consultation on Wellness initiative. Motion passed unanimously.</p>

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implement recommendations from the Institute of Medicine to improve health and reduce obesity. Strader said Green chaired the Institute of Medicine taskforce and was excited that Oklahoma was combining its community work in tobacco control and obesity prevention and reduction.	
<p>7.c. Program Development Committee Report – Update on Healthy Communities and Healthy School Incentive Grant Programs</p> <p>Mata updated the Board members on the number of entities now certified as part of the Certified Healthy Oklahoma program. Strader referred to a list in their packets. The application period for TSET’s incentive grants is year round. Some requests for grants are expected to come before the board at the May meeting.</p>	<ul style="list-style-type: none"> • Certified Healthy Incentive grant award recommendations will be presented at the May board meeting.
<p>7.d. Program Development Committee – Update on Fitness Gram grant implementation</p> <p>Mata provided a status report on the Fitness Gram program. A Memorandum of Understanding (MOU) is in place with OSDH. The MOU calls for 80% (or 160 schools) will need to commit to participate before budget expenditures are allowed on software and licenses, etc. Kansas used Fitness Gram in combination with interventions, and saw an increase in student academic performance. Board vice chair Gebhart asked how long Kansas had been using Fitness Gram. Millican pointed out that research shows that healthier kids are higher performers academically. Millican said it is important to point out that as health improves, so does academic performance.</p>	
<p>7.e. Program Development Committee Report – Update on health education environmental scan</p> <p>Strader informed the Board that neither of the TSET program evaluators – Dr. Beebe and Dr. Hildebrand, have the time to conduct the scan. Both are interested in serving on the work group with the study, or consulting. Dr. Marshall Cheney, of the University of Oklahoma, Health and Exercise Science Department, has been identified as a resource to conduct the scan, however she would not be available to begin until late April or early May 2014, with a final report available to the board by December 2014. Frank Merrick is arranging a meeting with the Superintendents Association, Educators Association, and School Boards Association to assure buy-in and coordination related to the environmental scan, Fitness Gram, and other initiatives within schools. Strader said staff will also begin meeting with associations and groups affiliated with schools. Strader said Love will continue to work on this project in her new position with TSET.</p> <p>(Chair calls for a break, 11:22 a.m.)</p>	<ul style="list-style-type: none"> • Contact Dr. Marshall Cheney regarding work on environmental scan.
<p>8.a. Program Implementation Committee Report – Jim Gebhart, Committee Chair</p> <p>Discussion and possible action on reduction in Oklahoma Tobacco Helpline funding for FY 2014</p> <p>Jim Gebhart introduced the committee report. The Helpline’s call volume is considerably lower than last year. Staff are exploring the reasons behind this, but have no solid evidence at this time. It is anticipated that approximately \$1 million of the Helpline budget will not be spent this fiscal year. The committee</p>	<p>Program Implementation Committee recommended reducing funding for Oklahoma Tobacco Helpline for FY 2014. Motion passed unanimously.</p> <p>(Dr. George Foster was absent.)</p>

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recommends a budget reduction of \$1 million.	
<p>8.b. Program Implementation Committee Report – Discussion and possible action on additional funding for FY 14 Health Communications</p> <p>Due to the reduction in the Helpline budget, and the fact that Health Communications lapsed nearly \$2 million in the FY 2013 budget, the Committee recommends that Strader work with the Program Implementation Committee, to monitor the current spending in the Health Communications budget and allocate up to \$1 million in additional FY 2014 funding, as needed. This committee will provide notification of any actions taken at the May board meeting (George Foster returns)</p>	<p>Program Implementation Committee recommended increasing funding for Health Communications for FY 2014. Motion passed unanimously.</p>
<p>8.c. Program Implementation Committee Report – Presentation - <i>Health Communication Update</i> – Sjonna Paulson, TSET Director of Health Communications</p> <p>Paulson said TSET media campaigns received 13 awards from the Oklahoma City Ad Club, including a gold award for the Healthy Foods Tournament digital advertising campaign; two silver awards in the public service awards, including a silver award for the public service campaign with the Tobacco Stops With Me commercial, “James Capps.” TSET was awarded bronze awards for the Work Healthy Hospital’s logo; “Fight For Your Life,” public service print newspaper; KD Camp Giveaway and digital advertising social media campaign. Paulson said James Capps ad is being used in Arkansas and has been accepted into the Centers for Disease Control and Prevention’s Media Campaign Resource Center.</p> <p>The second phase of Shape Your Future launched in mid-February. Some of the ads were shown during the Super Bowl in deeply discounted slots that were purchased at the last minute after other advertisers had dropped out.</p> <p>The “I Count” campaign has also been launched. The campaign focuses on promoting healthy choices and habits in the African American community. The campaign, which began with the Oklahoma County CX grantee, has been requested by grantees across the state.</p> <p>Millican asks about the size of the TSET logo on some ads. Board members discussed the importance of promoting TSET on other ads. Millican reminded staff of his recommendation to consider developing a report to the people for the 15-year anniversary of the creation of TSET.</p>	<ul style="list-style-type: none"> • Provide board members a list of organizations to follow on social media. • Social media training for board members. • Create sample ads showing a legible TSET logo • Discuss publications for 15-year anniversary, “report to the people.”
<p>8.d.i-v. Program Implementation Committee Report - Discussion and possible action on renewal of program grants and contracts for FY 2015</p> <p>i. Oklahoma Tobacco Helpline Services – Alere Wellbeing, Inc.</p>	<p>Program Implementation Committee recommended approving program grants and contracts for FY 2015.</p>

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ii. Physician Manpower Training Commission iii. Web site services – Ok.gov iv. Graphic design – Shauna Schroder v. Program consultation (tobacco cessation systems) – Abby Rosenthal Gebhart asked board members to approve the renewal of contracts in a slate. Gebhart said the amounts are listed in the board packets.	Motion passed unanimously.
8.e.i-v. Discussion and possible action on renewal of program contracts from other agencies i. Oklahoma State Dept. of Health – Healthy Communities and Healthy Schools Incentive Grants programs ii. Oklahoma Health Care Authority – health communications for SoonerCare and Insure Oklahoma members iii. Oklahoma Health Care Authority – cost-share for Oklahoma Tobacco Helpline services for SoonerCare and Insure Oklahoma members iv. Oklahoma Employees Group Insurance Division, Oklahoma Management and Enterprise Services– cost-share for Oklahoma Tobacco Helpline Services for HealthChoice members. v. Oklahoma State Dept. of Health – cost-share for Oklahoma Tobacco Helpline Services Gebhart asked board members to approve the renewal of contracts from other agencies in a slate. Gebhart said the amounts are listed in the board packets.	Program Implementation Committee recommended renewing program contracts from other state agencies for FY 2015. Motion passed unanimously.
9. Discussion and possible action to move into Executive Session a. 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. § 2309(C)(4). b. Review and discussion of proposals received in response to RFP #092-7 for Communities of Excellence in Tobacco Control, as authorized by the Open Meeting Act - 25 O.S. § 307(b)(7) and as required to preserve confidentiality under 62 O.S. § 2309(D)(4).	Motion to move into executive session made by Nowlin and seconded by Rowe. Motion passed unanimously. Motion to come out of executive session made by Nowlin and seconded by Knoles. Motion passed unanimously.
10. Consideration and possible action on items from Executive Session Board members discussed approving the OKC Boathouse proposal, as a pilot project, subject to finalizing mutually agreeable outcomes. Funding will be reviewed annually and awarded based on outcomes achieved. Program Development Committee will develop additional language on how to handle grant proposals involving physical activity equipment and similar expenditures. Nowlin said the Program Development Committee recommended funding for all Communities of Excellence Tobacco Control Wave I grants.	Motion to approve the Program Development Committee recommendation to fund the OKC Boathouse proposal made by the Program Development Committee. Motion passes in 5-1, with Foster voting no and Gebhart abstaining. Motion to charge the Program Development Committee to develop additional written criteria for

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	<p>making grants for physical activity equipment – for a vote at the next board meeting. Motion made by Millican. Rowe seconds. Motion passes unanimously.</p> <p>Motion to follow the Program Development Committee recommendation not to approve the proposal from the Oklahoma Blood Institute. Motion passes unanimously.</p> <p>Motion to approve the Program Development Committee recommendation to fund 17 Communities of Excellence in Tobacco Control for the bridge grant. Motion passes unanimously.</p>
<p>11.a. Agency Operations Committee – Update on status of grants management software implementation -- George Foster, Committee Chair Strader directed Board members to an update on the progress of the online grants management system in the board packets. Conference sponsorships and Healthy Communities Incentive Grants are both online, with the Healthy Schools Incentive Grants soon to follow.</p>	
<p>11.b. Agency Operations Committee – Update on status of office space -- George Foster, Committee Chair Strader shared that movement is underway within the building to allow for renovations to the TSET space. The health communications team will relocate to space down the hall, and once renovations are complete and the staff have moved in, renovations can take place within the current space to allow for the additional new staff. Strader said these moves will take place in March, it may be as late as April before all of the work and moves have been completed. However, this will mean that all of the available space is occupied and there will be a need to begin planning for the future. Rowe asked what TSET pays per square foot.</p>	<ul style="list-style-type: none"> • TSET will provide the price paid per square foot price for current office space. • Office move by May board meeting.
<p>11.c.i-ii. Agency Operations Committee – FY 2014 Second Quarter Budget to Actual – Operations Budget, Programs Budget Foster said all items of expenditure were in line. Grants and contracts are on a reimbursement payment process. The budget-to-actual expenditure rates for grants are currently at 25-40 percent, which is typical.</p>	

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<p>11.c. Agency Operations Committee -- Discussion and possible action on FY 2014 Budget Revision to reflect salary adjustments, carryover budget figures for evaluation and research grants and contracts, and reductions in funding for the Oklahoma Tobacco Helpline and youth program development. Committee recommended a budget revision to reflect salary adjustments, carryover for evaluation and research grants and contracts, and reductions in funding for the Helpline and youth program development. The youth program development will occur alongside or as a part of the development of the wellness initiative.</p>	<p>Agency Operations Committee recommended approval of FY 2014 Budget Revision to reflect salary adjustments, carryover budget figures for evaluation and research grants and contracts and reductions in funding for the Oklahoma Tobacco Helpline and youth program development. Motion passed unanimously.</p>
<p>12. 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)] Killblane asks if there is any no business. There is none.</p>	
<p>13. Public Comment Killblane asks if there is any public comment. There is none.</p>	
<p>14. Adjournment Seeing no new business, Killblane calls for a motion to adjourn.</p>	<p>Motion to adjourn made by Rowe and seconded by Knoles. Motion passed unanimously.</p>