



Oklahoma Tobacco Settlement Endowment Trust
Board of Directors
Regular Meeting
March 29, 2018

BOARD MEMBERS PRESENT: Bruce Benjamin; Casey Killblane; Curtis Knoles; Don Millican; Ken Rowe; Michelle Stephens

BOARD MEMBERS ABSENT: Jim Gebhart

TSET STAFF PRESENT: Connie Befort; Julie Bisbee; Lesa Curry; Kathie Darr; Sharon Howard; Jonás Mata; Tessa North; Kelly Parker; Sjonna Paulson; Jennifer Treadwell; John Woods

GUESTS PRESENT: Lindsey Funk, VI Marketing and Branding; Paola Klein, Oklahoma Tobacco Research Center; Martha Kulmacz, Attorney General’s Office; Lyn Martin-Diehl, Attorney General’s Office; Lisa Murray, Oklahoma State Treasurer’s Office; Valerie Trammell, VI Marketing and Branding; LeRoy Young, OSU Center for Health Sciences

Agenda Items and Discussions	Actions and Follow-Up Items
1. Open Meeting Act Announcement and Call to Order	
The TSET Board of Directors Chair, Don Millican, called the meeting to order at 10:09 a.m. and announced that TSET had met all Open Meeting Act requirements.	
2. Approval of Minutes of the January 30, 2018, Regular Board Meeting	
<p>Millican asked the board if they had reviewed the minutes from the January 30, 2018, regular board meeting and if there were any corrections to be made to the minutes as written. Hearing none, he called for a motion.</p> <p>Motion: Casey Killblane</p> <p>Second: Bruce Benjamin</p>	The board voted unanimously to approve the minutes of the January 30, 2018, regular board meeting.
3. Executive Director’s Report	
<p>a. <u>Legislative update</u></p> <p>Woods provided a legislative update highlighting activity at the Capitol and offering details on the passage of HB 1010XX, including a \$1.00 per pack price increase on cigarettes as part of the omnibus revenue package. He stated that SJR 45 had passed the Senate with the Title off, and, as currently drafted, proposes a State Question to amend the Oklahoma Constitution directing all future Master Settlement Agreement payments to the legislature as well as 25% of annual earnings from the endowment trust noting that funds would be earmarked for Oklahoma’s Graduate Medical Education programs housed within the OU and OSU medical schools, and indicated an April 12 deadline for the measure to be reported out of the House Rules Committee.</p>	



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<p>b. <u>Operations</u> Advising the board that two vacated positions had been filled recently at TSET, Woods recognized new staff members Lesa Curry and Kelly Parker, who were in attendance at the meeting, introduced them to the board and noted their credentials and relative experience. With regard to office space, Woods gave an update to the board on a potential relocation of the TSET office citing increased rents and infrastructure issues with existing space, and stated that he had determined a suitable location pending space allocation and would be finalizing preliminary lease arrangements in the coming weeks.</p>	
<p>c. <u>Programs</u> Woods gave an update on programmatic activities including the termination of the OSDH contract to administer the incentive grants program and subsequent repayment of funds for FY 2018, and the medical loan repayment program stating that while the OHCA had pulled funding, he expected the program to continue with no lapse because of the commitment by PMTC to satisfy the financial obligation to doctors currently enrolled in the program.</p>	
<p>d. <u>Update on press/speaking engagements</u> Crediting a nomination from the Oklahoma Association of Health, Physical Education, Recreation and Dance at UCO, Woods advised the board that TSET had recently been awarded the W. Clyde Partin Service Award for supporting healthy lifestyles in southern states at the national SHAPE America Convention in Nashville. He listed his recent activities on behalf of TSET including speaking engagements, meetings with legislators, grantees and advocacy groups, and provided information on his upcoming engagements noting American Cancer Society Day at the Capitol slated for April 16.</p>	<p>Ken Rowe exited at 10:45 a.m.</p>
<p>4. Board of Investors' Report – Lisa Murray, Chief Investment Officer, Oklahoma State Treasurer's Office</p>	
<p>Lisa Murray was recognized to provide an update from the Board of Investors. She presented a summary on year-to-date performance and identified the endowment's total market value at \$1.2 billion. Outlining project updates including the results from the request for proposal for auditing services, Murray stated that the incumbent, Finley & Cook, was awarded the contract for a one year term with the option to renew annually for five years and that the Master Limited Partnership request for proposal would be issued with finalists to be interviewed at the June 20 meeting of the Board of Investors. In reference to February's joint meeting of the Board of Directors and Board of Investors that was cancelled due to inclement weather, Murray suggested a joint meeting to be a good use of the board's time and recommended rescheduling to a future date.</p>	<p>Ken Rowe entered at 10:47 p.m.</p>
<p>5. Agency Operations Committee Report – Casey Killblane, Vice-Chair</p>	
<p>a. <u>Budget to Actual; Operating and Programs FY 2017</u></p>	



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<p>Killblane stated to the board that the FY 2017 operating budget was completed at 97%, totaling \$1,722,176; and the FY 2017 programs budget also was expended at 97%, totaling \$49,917,225, pending two reimbursements for payment overage for completion.</p>	
<p>b. <u>Budget to Actual; Operating and Programs FY 2018</u> Killblane reported that as of February 28, the FY 2018 operating budget was right on track at 56% expended; and the FY 2018 programs budget was at 42% expended indicating an overall good spend rate.</p>	
<p>c. <u>Discussion on proposed FY 2019 budget</u> Proposing \$46,959,529 for the FY 2019 budget, Killblane noted an overall decrease of \$2,848,794 from FY 2018 and reminded the board that official action would be taken at the May meeting. She summarized adjustments from the previous fiscal year in the operating and programs budgets recognizing Director Woods for clarification. The board discussed at length whether to modify the budget to fit their three year rolling average policy or to alter their policy with regard to spending.</p>	
<p>6. Program Development Committee Report – Bruce Benjamin, Chair</p>	
<p>a. <u>Discussion and possible action on proposed incentive grants program redesign options</u> Reminding the board that due to termination of the OSDH contract, TSET dollars would be the sole funding source for the incentive grants program for FY 2019 moving forward, Benjamin recognized Jonás Mata, Director of Programs for TSET. Mata referred the board to their packet for discussion items set forth for the program redesign, outlining options for overall funding approach, eligibility parameters, application period and scope of work. Board questions revolved around the program’s prior alignment with the Certified Healthy Oklahoma Program and the proposed merging of qualification criteria with TSET’s Healthy Living Program. The board deliberated the distinct roles of the programs contrasting their respective goals, accountability and impact, and discussed efficacy challenges surrounding any overlap. <i>*No action taken</i></p>	<p>Curtis Knoles exited at 1:19 p.m. Curtis Knoles entered at 1:22 p.m.</p>
<p>7. Tobacco Stops With Me 10-Year Anniversary</p>	
<p>a. <u>Review of past decade; benchmarks, milestones, challenges and successes</u> Millican recognized TSET staff to present background information on Oklahoma’s tobacco policy, methods of prevention and statistics related to smoking behavior and associated medical costs.</p>	<p>NOTE: Provide to board comparison in decline of smoking rate in states that have legalized recreational marijuana use. Ken Rowe exited at 1:23pm</p>



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<p>b. <u>Discussion and possible action on 10-year anniversary event</u></p> <p>Woods sought input from the board on a 10-year Tobacco Stops With Me anniversary event to be held on October 10. He discussed objectives and framework for the event and proposed developing a broad based coalition of advocacy groups and health partners to educate on the value and impact of state level policy changes to reduce tobacco use. Stating that further discussion would take place at the May meeting, Woods requested board approval to move forward with preliminary development of the October 10 event.</p> <p>Motion for staff to proceed with preliminary planning for Tobacco Stops With Me 10-year anniversary event: Casey Killblane</p> <p>Second: Michelle Stephens</p>	<p>The board voted unanimously to approve the motion to proceed with preliminary planning for a 10-year Tobacco Stops With Me anniversary event to take place on October 10, 2018. (Absent: Ken Rowe)</p>
<p>c. <u>Development and planning discussion and possible action on board’s vision, goals and strategy for next 10 years</u></p> <p>Woods presented a comprehensive list of initiative proposals encompassing tobacco control prevention policies and restructured program models for implementation over the next 10 years to be unveiled at the October Tobacco Stops With Me 10-year anniversary event pending board discussion and approval at the May meeting.</p> <p><i>*No action taken</i></p>	
<p>8. Program Implementation Committee Report – Curtis Knoles, Chair</p>	
<p>a. <u>Health communications update</u></p> <p>Noting that all brands are on target to meet FY 2018 goals, Knoles referred the board to their packet for overviews of ongoing mass media efforts through Tobacco Stops With Me, Shape Your Future and the Oklahoma Tobacco Helpline, and congratulated the TSET health communications department on accolades at the recent 2018 Oklahoma Addy Awards.</p>	
<p>(i). <u>Discussion and possible action on hosting of Southern Obesity Summit in October 2019</u></p> <p>Woods was recognized and notified the board that he was seeking approval to secure a nomination for Oklahoma to serve as the host state for the 2019 Southern Obesity Summit to be held in October. He outlined benefits, responsibilities and obligations associated with serving as the event host, noting an opportunity for TSET to showcase the work being done in our state.</p> <p>Motion to pursue a nomination to host the 2019 Southern Obesity Summit: Curtis Knoles</p> <p>Second: Bruce Benjamin</p>	<p>The board voted unanimously to approve the motion to pursue a nomination to host the 2019 Southern Obesity Summit. (Absent: Ken Rowe)</p>
<p>b. <u>FitnessGram report on school interventions</u></p>	



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<p>Knoles gave a brief progress report on technical assistance offerings for FitnessGram participants and stated that the program administrators would not be requesting a grant continuation or seeking additional TSET funding.</p>	
<p>c. <u>Incentive grants program preliminary evaluation findings</u> Knoles shared the preliminary findings of the incentive grants program evaluation summarizing initial impressions related to policy and practice requirements, application process and funding structure. He indicated that a final report would be available at the May meeting and that findings would be used to craft the program redesign.</p>	
<p>d. <u>Discussion and possible action on FY 2019 – FY 2021 grant continuation proposals</u> Presenting three grant continuation proposals for FY 2019 – FY 2021, Knoles referred the board to their packet for outcomes regarding merit of program initiatives and requested approval on behalf of the Program Implementation Committee.</p>	
<p>(i). <u>Oklahoma Hospital Association</u> FY 2019: \$627,000 FY 2020: \$627,000 FY 2021: \$627,000</p>	<p>Upon recommendation from the Program Implementation Committee, the board voted unanimously to approve a grant to the Oklahoma Hospital Association not to exceed \$1,881,000 over the three year cycle. (Absent: Ken Rowe)</p>
<p>(ii). <u>Oklahoma Health Care Authority</u> FY 2019: \$374,447 FY 2020: \$377,385 FY 2021: \$379,131</p>	<p>Upon recommendation from the Program Implementation Committee, the board voted unanimously to approve a grant to the Oklahoma Health Care Authority not to exceed \$1,130,963 over the three year cycle. (Absent: Ken Rowe)</p>
<p>(iii). <u>Oklahoma Department of Mental Health and Substance Abuse Services</u> FY 2019: \$398,674 FY 2020: \$398,674 FY 2021: \$398,674</p>	<p>Upon recommendation from the Program Implementation Committee, the board voted unanimously to approve a grant to the Oklahoma Department of Mental Health and Substance Abuse Services not to exceed \$1,196,022 over the three year cycle. (Absent: Ken Rowe)</p>
<p>e. <u>Discussion and possible action on FY 2019 grant renewals</u></p>	



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<p>Noting a request for early consideration to allow time for their internal contract approval process before the July 1 start date, Knoles requested board approval, on behalf of the Program Implementation Committee, for FY 2019 grant renewals to the Oklahoma Tobacco Research Center. He recognized Paola Klein, Oklahoma Tobacco Helpline Coordinator for the Oklahoma Tobacco Research Center, who provided clarification on referrals and answered board member questions.</p>	
<p>(i). <u>Oklahoma Tobacco Research Center – Helpline Oversight</u></p> <p>FY 2019: \$400,000</p>	<p>Upon recommendation from the Program Implementation Committee, the board voted unanimously to approve a \$400,000 renewal grant to the Oklahoma Tobacco Research Center for Helpline Oversight. (Absent: Ken Rowe)</p>
<p>(ii). <u>Oklahoma Tobacco Research Center – Helpline Management</u></p> <p>FY 2019: \$4,000,000</p>	<p>Upon recommendation from the Program Implementation Committee, the board voted unanimously to approve a \$4,000,000 renewal grant to the Oklahoma Tobacco Research Center for Helpline Management. (Absent: Ken Rowe)</p>
<p>9. Public Information and Outreach Committee Report</p>	
<p>a. <u>Outreach update</u></p> <p>Woods was recognized to present a report from the Public Information and Outreach Committee. He highlighted outreach efforts to promote TSET’s programs and referred the board to their packet for a link to recently updated county and legislative pages on the TSET website and stated that copies had been distributed to lawmakers and grantees.</p>	
<p>b. <u>Sponsorship and training grants</u></p> <p>Noting that a list of sponsorships could be found in the board packet, Woods reported the grant category to be closed for the remainder of the fiscal year due to complete allocation of the \$25,000 budget.</p>	
<p>c. <u>Upcoming events</u></p> <p>Woods told the board to expect a May 2 announcement from the Stephenson Cancer Center regarding NCI designation and reminded them to hold October 10 for a Tobacco Stops With Me anniversary event noting that additional events were listed in the board packet.</p>	<p>Michelle Stephens exited at 2:23 p.m.</p>



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10. New Business	
No new business.	
11. Public Comment	
No public comment.	
12. Adjournment	
<i>Motion:</i> Curtis Knoles <i>Second:</i> Bruce Benjamin	The board voted unanimously to adjourn and the meeting adjourned at 2:25 p.m. (Absent: Ken Rowe and Michelle Stephens)