

**MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS FOR THE
OKLAHOMA TOBACCO SETTLEMENT ENDOWMENT TRUST**

August 26 & 27th, 2021
Lake Murray State Park Lodge
3323 Lodge Road, Ardmore, OK 73401
Ballrooms A & B
10:00 a.m.

Board members present: Michelle Stephens, Jack Allen, Susanna Gattoni, Ken Rowe and Marshall Snipes. Bruce Benjamin and Runako Whittaker were absent.

AGENDA

1. Open Meeting Act Announcement and Call to Order

The TSET Board of Directors Chair Michelle Stephens, called the meeting to order at 10:05 a.m. and announced that all requirements of the Open Meeting Act had been met.

TSET staff present were Executive Director Julie Bisbee, Director of Public Information and Outreach Thomas Larson, Director of Health Communications Sjonna Paulson, Director of Programs Jonás Mata, Director of Agency Operations Jennifer Treadwell, Tessa North Director of Grants and Board Secretary Anna Lisa Phillips who served as recording secretary.

2. Approval of Minutes

Approval of Minutes of the May 20, 2021, Regular Board Meeting

Jack Allen moved board approval of the May 20, 2021 minutes as presented. Ken Rowe provided a second. Motion carried.

Aye: Allen, Gattoni, Rowe, Snipes; Abstain: Stephens

3. Chair's Report

a. Board Governance Committee Update

Board Chair Michelle Stephens announced that the Board Governance Committee convened for their first meeting on August 24. Members of the committee are Michelle Stephens, Bruce Benjamin, Susanna Gattoni and former board member, Don Millican. Joining the committee was Jeri Homes, Esq. who has contracted with TSET to codify TSET's existing board governance policies. The Committee plans to update the board with a draft version of their work during the March 2022 board meeting, with a final presentation coming in May 2022.

b. Discussion and Possible Action on Creation of LOFT Report Committee

Stephens discussed the creation of a LOFT Report Review Committee for purposes of an in-depth review of the research recommendations as reported by the Legislative Office of Fiscal Transparency. Stephens asked that any board member interested in joining the proposed committee should consult with Julie Bisbee, Executive Director.

Michelle Stephens called for a motion to create a LOFT Report Review Committee. Marshall Snipes moved board approval. Susanna Gattoni provided a second. Motion carried.

Aye: Stephens, Allen, Gattoni, Rowe, Snipes

4. Executive Director's Report

a. Review of LOFT Oversight Committee Hearing

Michelle Stephens recognized Executive Director, Julie Bisbee, for her quarterly report. Julie Bisbee updated the board on TSET's participation in the hearing before the Legislative Office of Fiscal Transparency legislative oversight committee in June. Bisbee thanked and recognized board members who attended the meeting. The meeting was chaired by House and Senate appropriations chairs and discussed the findings of the LOFT group. TSET presented its response as well and objected to some of the findings in the report and agreed with some of the recommendations. An interim study on the report has been requested by the House General Government Committee and is expected to be held this fall. Bisbee reminded the board that TSET is the majority funder in tobacco cessation and prevention in the state. Bisbee referenced a summary of the findings by the LOFT committee and responses by TSET in the board packet.

b. Introduction of New Staff Member, Sarah Carson, Public Information Specialist

Julie Bisbee recognized Director of Public Information and Outreach Thomas Larson to update the board on new staff member Sarah Carson.

c. Overview of Executive Director Activities

Julie Bisbee reported out on several activities over the past quarter including participation in a biomedical research briefing with Congresswoman Stephanie Bice hosted by OUHSC, attending the Governor's Agency Leadership Hope Summit, participation in the Health Cabinet's childhood obesity workgroup, participation in several convenings on childhood hunger with Education Secretary Ryan Walters, Hunger Free Oklahoma, and Regional Food Bank. These convenings are part of an ongoing effort to ensure there is partnership and understanding about how schools can play a role in addressing childhood hunger. Bisbee is also currently serving as a member of the executive committee for the State Department of Education's Health Standards Revision process in addition to visiting with grants management leadership at the Missouri Foundation for Health to discuss their work in tobacco control, responsive funding portfolios, program design and development and the foundation's experience with an incentive grant type program. Bisbee continues to participate in on-going speaking engagements, including cooking segments in the Tulsa television market. Bisbee reported that she as well as Board member Susanna Gattoni, met with appointing authority State Auditor and Inspector Cindy Byrd as part of ongoing, periodic updates and conversations with appointing authorities. Bisbee continues ongoing participation in the strategic planning process for cessation leadership team and to work to onboard newly appointed board member, Dr. Runako Whittaker, who is a pediatrician in North Tulsa. Whittaker was appointed by Superintendent Joy Hofmeister.

5. Agency Operations Committee Report

Michelle Stephens recognized Marshall Snipes for the Agency Operations Report.

Meeting was taken out of order of the agenda.

e. Preliminary Certification of Earnings

Marshall Snipes reported that certified earnings were expected to be \$118 million, which is significantly more than the committee was expecting and the board would discuss during the planning retreat. Snipes directed the Board to their

packet for year-to-date financials and budget information. Snipes reported that the budget was on target. Snipes recognized Executive Director Julie Bisbee for the proposed budget revision.

b. Financial Reports

Marshall Snipes provided an overview of the FY21 budget to actual financial reports. There were no expenditures to report for FY22 as of the end of July. Purchase orders were created during July, therefore expenditures started in August.

c. Update on Analysis of Reserves and three-Year Rolling Average

Marshall Snipes reported that certified earnings were expected to be \$118 million. Final numbers will be certified in November. After FY22 is closed out, there will be over \$130 million in the TSET stabilization fund. The three-year rolling average for FY23 budget will be approximately \$72 million.

d. Balance Sheet

Snipes referred the board to their packet for a current balance sheet.

a. Discussion and possible action on Programs Budget Revision

FY22 Programs Budget Revision

Julie Bisbee stated that the proposed budget revision was transferring \$398,000 to the VI Marketing and Branding contract for paid media (print and radio) in grantee communities to support and raise awareness about Healthy Living Program strategies in grantee service area. A portion of this money (\$100,000) will also support ongoing TSET awareness and health promotion in southeastern Oklahoma. Transferring \$57,506 to the VI Marketing and Branding contract for fulfillment center purchases made by HLP grantees. Transferring \$300,000 to the Health Systems Initiative program portfolio to support a possible agreement with the State Department of Education to support the training and implementation of health education standards in school year 2023-2024. The Agency Operations Committee recommends a total budget revision of \$755,506. These funds are already budgeted and were not expected to be spent by Healthy Living Program grants where they were originally budgeted. This has also been discussed by the program committee and it is a recommendation from this committee to move forward.

Marshall Snipes moved board approval; no second required. Motion carried.

Aye: Stephens, Allen, Gattoni, Rowe, Snipes

6. Programs Committee Report

a. Food Systems Initiative Grant Presentation

Julie Bisbee introduced Chris Bernard of Hunger Free Oklahoma. Hunger Free Oklahoma is a recipient of a TSET Food Systems Initiative Grant. Bernard gave an update on HFO's current work on Double Up Bucks (DUO) and stated that the grant from TSET has been crucial in the evaluation portion of the DUO program. Evaluation findings included over 1600 SNAP customers participated in the DUO program in the first 27 weeks, redemption rates increased from 26.7% in November 2020 to 38.0% in May 2021, and SNAP participants increased produce purchases at participating retailers.

Ken Rowe left the meeting at 11:04 a.m.

b. Update on Declined TSET Healthy Living Program Grants

Director of Programs Jonás Mata reported that in late May of 2021, citing a need to shift away from policy-driven work and focus more on direct service, seven TSET Healthy Living Program grantees informed TSET that they would not renew

their funding agreements for FY22. The seven grantees were: Atoka County Health Department, Bryan County Health Department, Marshall County Health Department, McCurtain County Health Department, Pittsburg County Health Department, Pontotoc County Health Department, and Pushmataha County Health Department. Mata stated that prior to notification of the decision not to renew, these grantees had been approved by the TSET Board of Directors for FY22 funding that totaled \$910,560. This amount will be unused by the seven former HLP grantees in FY22. TSET has been in contact with each grantee and is working with them through the contract closeout process. All final reports and invoices are expected to be submitted to TSET on or before September 28, 2021. Internally, TSET staff are in discussions to determine the best option(s) to utilize the relinquished funds and address any potential gaps in the service areas once covered by these grants.

c. Discussion and Possible Action on Health Education Implementation Partnership, Oklahoma State Department of Education

Julie Bisbee reported that the Oklahoma State Department of Education and TSET had been in discussions about a partnership opportunity to support the implementation of the new health education standards. Legislation passed last session requiring health education starting in the 2023-2024 school year. Updated standards will be finalized this fall and will go through the approval process in early 2022. The State Department of Education is seeking funding from TSET totaling up to \$1.16 million over three years. The Program Committee recommends using the additional funds moved to the Health Systems Initiative category to support this effort. If the board approved plan, staff can go back and work to finalize an agreement. There was brief discussion by the board followed by a vote. This is a recommendation from the Programs Committee.

Marshall Snipes moved board approval; no second required. Motion carried.

Ken Rowe returned to the meeting at 11:16 a.m.

Aye: Stephens, Allen, Gattoni, Rowe, Snipes

d. Discussion and Possible Action on No-Cost Extension for Food System Initiative Grantees

Julie Bisbee reported that Food Systems Initiative Grants began last September as one-year grants. Because COVID slowed timelines and milestones for many grantees, the program committee is recommending three-month no cost extension for grants to continue to have until December 31, 2021 to spend granted dollars.

Marshall Snipes moved board approval; no second required. Motion carried.

Aye: Stephens, Allen, Gattoni, Rowe, Snipes

e. Update on TSET Health Living Program

Jonás Mata stated that FY21 focused on conducting a comprehensive community needs assessment, capacity building and planning for work future grant years. Data was collected and analyzed to identify hotspots and high-risk areas of most of intervention. During grant years two through five, grantees will be implementing strategies identified by collaborative groups to address local needs.

f. Quarterly Update on Oklahoma Tobacco Helpline

Jonás Mata gave the quarterly Oklahoma Tobacco Helpline to the board stating that since the start of FY15, TSET has partnered with Stephenson Cancer Center at the OUHSC to provide administrative management of the Oklahoma Tobacco Helpline (OTH) service. Director Dr. Jon Hart and Coordinator Paola Klein oversee the day-to-day operations of the OTH service. Several of the highlights for the second quarter were: 8,728 phone-based interventions provided this

quarter, 99% of Oklahoma counties with participants receiving OTH services, 3,147 total referrals received, and average monthly number of partner sites across the state that sent a referral was 196. Jack Allen requested additional information from Dr. Jon Hart with regard to oversight for OTH.

g. Discussion and Possible Action on Grants Eligible for Renewal of Multi-year Grant Cycle

Tessa North, Director of Grants Management, reported that each year, agreements that are approaching the end of their multi-year contract term are brought before the board for consideration to renew the agreement for an additional multi-year term. The programs committee was briefed on seven such programs that will complete their current multi-year agreement on June 30, 2022. North gave a brief summary for each program. Board members Jack Allen and Marshall Snipes requested further discussion at the retreat planning portion of the meeting.

Michelle Stephens, Chair, called a recess at 11:54 a.m.

Michelle Stephens, Chair, reopened the meeting at 12:26 a.m.

7. Overview of TSET Healthy Youth Initiative Phase I and II Progress

Jeff Jordan, President and Executive Creative Director, Recue Agency updated the board on the progress that Rescue has made in both Phase I and Phase II of TSET's Healthy Youth Initiative. Jordan provided highlights and updates for the YAHL program (Youth Action for Health Leadership) and CounterAct and Elevate Student Health campaigns. Youth trainings are set to launch September 2021.

Marshall Snipes left the meeting at 1:50 p.m.

Marshall Snipes returned to the meeting at 2:00 p.m.

8. Public Information and Outreach Committee Report

a. Health Communication Adult-Focused Brands

Michelle Stephens recognized Sjonna Paulson, Director of Health Communication, for a departmental update. Paulson reported that the TSET Health Communication team had received three first place National Clarion Awards from the Association for Women in Communication. Paulson also reported that the FY22 media and marketing plans for all brands had been presented to partners at the health department and health care authority. Health communications will be making presentations available to grantees and any other outside interested parties over the next week. Health Communication invoices for FY21 are on track and we are expected to see at least a 98% spend rate from VI, Rescue and Emory. The Tobacco Stops With Me cross-sectional field work has been completed and the final report is expected mid-to-late September. Shape Your Future updates launching the OU / OSU partnership in September. Videos promoting physical activity that include mascots Pistol Pete and Boomer, will begin online. Paulson reported that Julie Bisbee, TSET Executive Director, had been joining Chef Val from the OU School of Culinary Medicine at the Shape Your Future Kitchen on KJRH in Tulsa. These pieces air weekly and are promoted on SYF social media.

b. Health Communication Youth-Focused Brands

Sjonna Paulson reported that new media for Behind the Haze, Down and Dirty and Swap Up youth-focused initiatives will begin in September. Overall, campaigns are being well received and are reaching our target audiences for urban and rural teens.

c. Public Health Academy of Oklahoma Update

Sjonna Paulson updated board on Public Health Academy of Oklahoma – OK In The Know, stating that the peer-to-peer learning and training platform was performing to specifications. TSET has just received the survey of users and the new

training platform launched in FY21 has received high marks with a 14% increase in user satisfaction over the old platform.

d. Policy Resolutions

Michelle Stephens recognized Thomas Larson, Director of Public Information and Outreach, who presented three policy resolutions for the board consideration, calling on the State Legislature to act.

i. **Nicotine-Only Products.** The resolution focuses on the emergence of nicotine-only products such as nicotine pouches, nicotine toothpicks, dissolvables and others. The resolution notes the harms of nicotine addiction and its effects on youth and developing brains and calls on the legislature to tax these products with an excise tax on par with other tobacco products.

Ken Rowe moved board approval. Marshall Snipes provided a second. Motion carried.

Aye: Stephens, Allen, Gattoni, Rowe, Snipes

ii. **Local Control of Tobacco Policies.** The resolution notes that, under current law, local governments are prohibited from passing any tobacco control ordinance that is stricter than state law. Oklahoma's clean indoor air law contains many exemptions and, by preempting local control, many individuals are left exposed to secondhand smoke. The resolution calls for repealing tobacco control preemption and allowing communities to pass policies to improve the health and wellbeing of residents.

Jack Allen moved board approval. Susanna Gattoni provided a second. Motion carried.

Aye: Stephens, Allen, Gattoni, Rowe, Snipes

iii. **Affirmation of TSET Mission.** The resolution notes that TSET was created by voters in 2000 and its mission and structure were reaffirmed by voters in 2020. TSET's Board of Directors is grateful for the support of Oklahoma voters and will continue to fulfill TSET's mission as outlined by Article 10, Section 40 of the Oklahoma Constitution.

Marshall Snipes moved board approval. Ken Rowe provided a second. Motion carried.

Aye: Stephens, Allen, Gattoni, Rowe, Snipes

e. Outreach Update

Thomas Larson provided the board with an Outreach update. Highlights included meeting with the Tulsa World editorial board to discuss TSET's programs in July, clarify portions of the LOFT report and answer questions from the board. The meeting resulted in one news story in the Tulsa World and a positive editorial. On July 22, Larson spoke to affiliates for Keep Oklahoma Beautiful. The affiliates, from nonprofits from across the state, heard about TSET programs, with a particular focus on community grants and policy. Larson also recently spoke with the directors of Main Street programs across the state as a part of our ongoing outreach efforts. TSET PIO Staff hosted an End-of-Session Webinar on June 8. The webinar was for TSET grantees and partners and reviewed the legislative session and passed bills, and how that affects TSET and its programs, and we hosted a preemption webinar with the American Heart Association on July 29.

f. Sponsorships

Thomas Larson reported that the most recent sponsorship grant was awarded to the Oklahoma Caring Foundation for their Champions of Health Gala. Currently 19.3% of the \$35,000 sponsorship budget has been spent for FY22.

g. Upcoming Events and Training

Thomas Larson stated that TSET involvement in upcoming events would include the Oklahoma State School Board Association and Cooperative Council for School Administrators Conference and the Oklahoma Municipal League conference September 7-9.

h. Legislative Update

Thomas Larson gave the board a brief legislative update that included an interim study that had been called for by the House General Government Committee to further review the report from the Legislative Office of Fiscal Transparency. Larson stated that he would speak during another interim study was being conducted on youth access by Rep. Emily Virgin.

9. New Business

There was no new business.

Board of Directors business meeting ended at 2:04 p.m. Board planning retreat opened at 2:05 p.m.

11. Overview of Legacy Board Member Engagement/Board Advocacy Survey

12. Update on FY21 Innovations

Thomas Larson, Director of Public Information and Outreach, provided the board a presentation on innovations made by TSET for FY21 as well as the accomplishments including plan metrics met or exceeded for programmatic and agency goals.

13. Update on TSET Data Analytics Scope of Work

Lance Thomas, Sr. Communication Consultant and Conrad Harker, Data Analytics intern, presented the scope of data analytics work that was accomplished during the months of May through August 2021. Harker reviewed the dashboard that is currently on TSET's website and presented a demo of the data that can currently be accessed. Harker will stay on at TSET through the fall as a research assistant. Thomas and Harker fielded questions from the board.

Jack Allen left the meeting at 2:39 p.m.

Jack Allen rejoined the meeting at 2:43

Ken Rowe left the meeting at 2:47 p.m.

Ken Rowe rejoined the meeting at 2:50 p.m.

14. Presentation and Overview of Awareness of TSET Programs

Director of Public Information and Outreach Thomas Larson gave the board an overview of survey information about public awareness and perception on TSET programs. A few of the data highlights presented included strong public support for TSET programs, and data that shows Oklahomans favor policies that limit exposure to second-hand smoke and support cities in protecting citizens from secondhand smoke.

Michelle Stephens called the meeting to recess at 3:20 p.m.

Michelle Stephens reopened the meeting at 3:43 p.m.

15. Evaluating TSET-Funded Programs

Dr. Laura A Beebe, OUHSC, engaged the board in a discussion regarding the scope of current evaluation efforts for the Oklahoma Tobacco Helpline, Health Systems Initiatives, TSET Healthy Living Program and Health Communications. Dr. Beebe stated that all TSET funded programs have logic models, benchmarks, and theories of change models. Dr. Beebe also stated that social determinants in the State of Oklahoma are working against TSET funded programs and the current policy landscape also limits opportunities for health improvement. There was consensus that the board would like to engage with national experts.

Michelle Stephens called a meeting dinner recess at 5:01 p.m.

Day 2 of the board of directors planning retreat was called to order at 8:35 a.m.

Bruce Benjamin and Susanna Gattoni were absent

Meeting was taken out of order of the agenda.

18. Long-term Budget Overview Discussion

Jennifer Treadwell, Director of Agency Operations, presented the board with information on the history of the endowment fund's corpus balance, certified earnings, and expenditures for the first 20 years of TSET's existence. Treadwell also presented estimated corpus balance and overhead costs per grant dollars for the future, as well as a total fund performance summary.

17. Presentation of Health Cabinet Goals

Cabinet Secretary Kevin Corbett updated the board on the five goals for the Cabinet of Health and Mental Health. Sec. Corbett fielded questions from the board and engaged in lengthy discussion.

19. Future Funding Strategies and Goals

Executive Director Julie Bisbee presented the board with a draft plan for future funding strategies. The board created a strategic plan in 2019 and will revisit again in 2023. The board engaged in a lengthy discussion and wanted to talk more the in the November meeting about on-going funding for Healthy Systems Initiatives. There was board consensus to engage in a multi-year plan with emphasis on enhancing work in rural and underserved, physical activity and nutrition and youth work.

16. Presentation and Discussion of Future Grants and Programs to SE Oklahoma

Jonas Mata, Director of Programs, and Jessica Davis, Assistant Director of Programs, presented the board with public health data from seven counties within Southeast Oklahoma and themes from each county's community needs assessment. Mata and Davis also presented the board with ideas, funding approaches and promotional approaches to maintain a presence in Southeast Oklahoma.

20. Next Steps/Wrap-Up

Julie Bisbee thanked the board and staff for their time and preparation for the retreat. Bisbee highlighted next steps and stated that she would be reaching out to board members with follow-ups.

21. Adjournment

Michelle Stephens adjourned the planning retreat at 1:06 p.m.