

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

March 24, 2022

655 Research Park, OKC, OK

PHF Conference Center – Kiva Room

10:00 a.m.

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

1. Open Meeting Act Announcement and Call to Order

The TSET Board of Directors Chair Michelle Stephens called the meeting to order at 10:03 a.m. and announced all requirements of the Open Meeting Act were met. TSET staff present were Executive Director Julie Bisbee, Director of Agency Operations Jennifer Treadwell, Director of Public Information and Outreach Thomas Larson, Director of Health Communications Sjonna Paulson, Director of Programs Jonás Mata, Director of Grants Management Tessa North, Executive Assistant Samantha Piñeiro, Assistant Director of Programs Jessica Davis, Epidemiologist Alexandra Feld, Program Officer DeLynn Fudge, Administrative Officer LaToshia Broadwater. Guests present were Dr. Jon Hart, Director, Oklahoma Tobacco Helpline and Dr. Laura Beebe, Professor and Chair, Department of Biostatistics and Epidemiology, OUHSC, as well as Valerie Trammell and Matt Glanville of VI Marketing

2. Approval of Minutes

Approval of Minutes of the January 25, 2022, Regular Board Meeting

Allen moved to approve the January 25 minutes as presented. Whittaker seconded. Motion Approved.

Aye: Stephens, Allen, Benjamin, Gattoni, Rowe, Snipes, Whittaker

3. Chair's Report

a. Board governance committee update on bylaw and governance policy work

Executive Director Julie Bisbee reported the board governance committee reviewed the board bylaws and will continue work on draft bylaws and governance policies. Bisbee expects to present a final bylaws document at the May board meeting. No action required.

4. LOFT Report Review Committee Report

Benjamin presented the LOFT Report Sub-committee's evaluation and response to the Legislative Office of Fiscal Transparency (LOFT) investigative report of TSET. The sub-committee's five members, Benjamin (Committee Chair), Snipes (Board Member), Gattoni (Board Member), Casey Kilblane (Former Board Member), and Jim Hess, (non-Board Member), met twice to review the report and discuss agency committee recommendations.

Benjamin moved to accept the LOFT Sub-committee report as presented. Snipes seconded. Allen asked if the report is provided to LOFT and how to address recommendations. Board Chair Michelle Stephens called for the vote. Motion approved.

Aye: Stephens, Allen, Benjamin, Gattoni, Rowe, Snipes, Whittaker

5. Executive Director's Report

a.i. Update on Health Data Trends

Executive Director Bisbee introduced TSET Epidemiologist Alexandra Feld to present data on tobacco consumption and prevalence in Oklahoma which included the following:

- Oklahoma ranks 8th highest nationally in adult smokers, but state tobacco consumption steadily decreased on track with national numbers.
- A significant decrease in tobacco consumption followed periods of increased excise taxes on tobacco. Wholesalers stockpiled products prior to the tax, artificially increasing consumption rates. Bisbee noted current numbers show a consistent decline from 2018 to 2021.
- Oklahoma is highest in smokers next to Arkansas. Compared to nearby states, our adult rates declined 26.8% this decade consistent with national rates.
- Smoking prevalence is directly related to lower income levels, lower education levels, racial demographics, and other socio-economic indicators.
- Oklahoma's smokeless tobacco use is higher than national average with no decline since 2019, but smokeless tobacco use by smokers declined to lowest numbers since 2013 and consistently decreases at a rate of 6%.
- Insufficient national data exists to track adult electronic cigarette use, (aka E-cigarettes or Vaping), but data from the National Youth Tobacco Survey online self-test indicated 27.8% of Oklahoma Highschool students reported use of e-cigarettes.
- 7.5% of middle school and above youth reported e-cigarette use compared to 1.7% cigarette use. Over 25% report daily use and 56% report use once a month. Almost 86% use flavor
- Over 50% of adult smokers in Oklahoma report at least one quit attempt in the past year
- E-Cigarettes (E-Cig) increased in popularity and use but reliable consistent tracking data is needed as no licensing or tax stamps are required for E-cig retailers, unlike tobacco retailers.

Board Chair Stephens requested a bullet point list of statistics presented be provided for board members' conversations with state legislators. No action required.

a.i.i. Introduction of New Staff

Bisbee introduced new Executive Assistant Samantha Piñeiro. No action required.

6. Agency Operations Committee Report

a. Update on six month estimated earnings

Snipes reported six months estimated earnings as of \$68,000,000 aligns with TSET's proposed FY23 Budget. A preliminary budget of \$71,000,000 will be discussed in detail at the May board meeting. No action was required.

b. Discussion on Budget Planning for FY23

Treadwell reviewed FY23 budget planning and will have a comprehensive budget proposal for consideration at the May Board of Directors Meeting. No action was required.

c. Financial Reports

i. FY22 Budget to Actual-Operating

ii. FY22 Budget to Actual-Programs

Treadwell presented the Operations and Programs FY22 Budget to Actual Reports as of February 28, 2022. Operations spent \$1,012,766 (under 52%) by end of February 2022, and Programs spent

\$20,225,914 (42%) on track with the FY22 budget. TSET will report on reclaimed lapse funds at the May board meeting. There were no questions regarding expenditures and no action required.

iii. FY22 Operating Budget Revision

Treadwell explained a revision in the operations budget moves existing funds within previously approved budget categories.

iv. FY22 Programs Budget Revision

Treadwell reported revisions to the FY22 Programs budget allow for the increase of the VI contract to \$700,000 and for the increase of the Rescue contract to \$172,250 for media and app development. Lapse funds retrieved from grantees will support the increases. No action was required.

7. Program Committee Report

a. Discussion and possible action on new funding opportunities for FY23

i. Applicant Defined Best Practices to Improve Health in Oklahoma Funding Opportunity

Board Chair Stephens recognized Tessa North, Director of Grants Management and Jonás Mata, Director of Programs to present information on the Applicant Defined funding opportunity.

North reported the opportunity is for projects defined by the applicants which meet the agency's mission. Each project is considered on a case-by-case basis with proposals selected by the Programs committee presented annually to the Board of Directors at the March and November board meetings. Projects up to three years may be submitted. Matching funds will be considered by a tiered approach. Projects less than \$500,000 will not require matching funds. In-kind matching funds may also be considered. North explained this is a reimbursement grant so applicants expend their money prior to receiving grant funds. Total funding amount awarded per fiscal year is \$3,000,000. Applicants will request funding for all phases of a three-year proposal.

As the agenda item is presented as a recommendation from the Programs Committee, a motion and a second was not required. Stephens called for a vote. Motion approved.

Aye: Stephens, Allen, Benjamin, Gattoni, Rowe, Snipes, Whittaker

ii. Strategies to Reduce Tobacco Use and Obesity in Seven Southeast Oklahoma Counties Funding Opportunity

North reported the opportunity is intended to fund community-based work in Atoka, Bryan, Marshall, McCurtain, Pittsburg, Pontotoc and Pushmataha counties. The seven listed counties participated in a TSET Healthy Living Program Grant in FY21 which the grantees chose not to renew funding in the second year of funding.

Comprehensive community needs assessment results will be provided to each participating county. Applicants will choose from a list of preapproved projects on those assessments and may choose four or more projects for funding consideration. No matching funds will be required. Funding for implementation of strategies will be as follows:

- One strategy up to \$30,000 per year
- Two for up to \$60,000 per year
- Three for up to \$90,000 per year
- Four or more for up to \$120,000 per year.

If all seven counties are funded for work on four or more strategies, the maximum financial impact to the TSET Budget is \$840,000 per fiscal year. This opportunity is supported by available unused lapse funds included in the FY22 Overall Healthy Programs budget for spending in FY23. As the agenda item is presented as a recommendation from the Programs Committee, a motion and a second was not required. Stephens called for a vote. Motion approved.

Aye: Stephens, Allen, Benjamin, Gattoni, Rowe, Snipes, Whittaker

b. Discussion and possible action on award of TSET Healthy Incentive Grants

i. Healthy Schools Incentive Grant Awards

North presented eight schools located in Major, McCurtain, Kay Adair, Greer, and Delaware counties selected for a combined award of \$35,500.

Healthy Incentive Grant Program for Schools		
Organization	County	Recommended Amount
Chamberlain Middle School	Major	\$2,000.00
Central Elementary School	McCurtain	\$7,500.00
Primary South Elementary	McCurtain	\$7,500.00
Tonkawa Elementary School	Kay	\$4,000.00
Zion Public School	Adair	\$7,500.00
Granite Secondary School	Greer	\$2,000.00
Granite Elementary School	Greer	\$2,000.00
Jay Middle School	Delaware	\$3,000.00
Total		\$35,500.00

As the agenda item is presented as a recommendation from the Programs Committee, a motion and a second was not required. Stephens called for a vote. Motion approved.

Aye: Stephens, Allen, Benjamin, Gattoni, Rowe, Snipes, Whittaker

ii. Healthy Incentive Grants for Districts

North presented five school districts located in Murray, Pottawatomie, Custer, and Jefferson counties for a combined award of \$54,500.

Healthy Incentive Grant Program for School Districts		
Organization	County	Recommended Amount

Oklahoma School for the Deaf	Murray	\$3,000.00
North Rock Creek Public Schools	Pottawatomie	\$6,000.00
Clinton Public Schools	Custer	\$15,500.00
Davis Public Schools	Murray	\$15,000.00
Ringling Public School	Jefferson	\$15,000.00
Total		\$54,500.00

As the agenda item was presented as a recommendation from the Programs Committee, a motion and a second was not required. Stephens called for a vote. Motion approved.

Aye: Stephens, Allen, Benjamin, Gattoni, Rowe, Snipes, Whittaker

c. Program Progress and Evaluation Presentations

i. Summary of Key Informant Readiness to Address Youth Development

Board Chair Stephens recognized Jonás Mata to a review of Key Informant Readiness to Address Youth Development program approved by the board FY2021. An external evaluation by Evolve Research indicates 4H, Boys and Girls Clubs of America, Healthy Schools Oklahoma, and YMCA are each well equipped to execute requirements for funding. Each have capacity, statewide reach, and grant experience to compete for the \$750,000 awarded to only one of the organizations. Requests for proposals open July 2022. The grant program begins January 2023. No action required.

ii. Oklahoma Tobacco Helpline Numbers, Populations, and Innovations

Board Chair Stephens recognized Dr. Jon Hart, Director, Oklahoma Tobacco Helpline and Dr. Laura Beebe, Professor and Chair, Department of Biostatistics and Epidemiology, OUHSC to present a summary of current numbers and populations served by the Oklahoma Tobacco Helpline (OTH). Current data shows a 30% decline in OTH registration, however, OTH leads the nation in service to approximately 20,000 users. National data shows use and abuse of substances increased during the pandemic which may indicate people are struggling with stress and mental health, Hart said.

OTH will focus its reach to significant priority populations with higher smoking levels such as groups with lower income and education levels, mental health distress and other socio-economic factors. Media expenditures will be analyzed to improve OTH appeal to priority populations. Research and evaluation of this effort is ongoing.

Innovations are planned to increase OTH usage with Medicaid expansion, behavioral health programs, expanding eligibility for multiple OTH call programs, expanded benefits for individual services, collaboration with HPRC research and Medicaid-Kendzor to reach pregnant smokers, and transition to a new web platform to increase reach. Hart also reported an increase in youth registration in cessation services through My Life, My Quit.

Weekly OTH registration numbers increased from a former average of 400-450 to current average of 500. NAQC data lists Oklahoma as 4th in the nation in number of tobacco cessation referrals and ranked 1st nationally in electronic referrals. With a population of approximately 4,000,000, and as a state with

more smokers, Oklahoma is one of the best ranked states in providing services to smokers who want to quit.

No action required.

8. Public Information and Outreach Committee Report

a. Discussion and possible action on increase to Rescue media contract for Phase 1 TSET Healthy Use Initiative

Board Chair Stephens recognized Sjonna Paulson, Director of Health Communications, to request a fund increase to Rescue media contract for Phase 1 TSET Healthy Use Initiative. Paulson indicated the Public Information and Outreach Committee recommended the funding increase. The increase would be covered by recaptured lapse funds in the current FY22 budget be used to cover the requested increase. As the increase of funding to the Rescue media contract was presented as a recommendation from the Public Information and Outreach Committee, a motion and a second was not required. Stephens called for a vote. Motion approved.

Aye: Stephens, Allen, Benjamin, Gattoni, Rowe, Snipes, Whittaker

b. Discussion and possible action on increase to VI Marketing and Branding Contract for increased marketing of Oklahoma Tobacco Helpline services.

Paulson indicated the Public Information and Outreach Committee recommended an overall increase to the VI Contract of \$700,000 through retrieved lapsed funds and an anticipated \$400,000 from OSDH to support increased media to promote OTH and Tobacco Stops with Me. This was a recommendation from the committee, a motion and a second was not required. Stephens called for a vote. Motion approved.

Aye: Stephens, Allen, Benjamin, Gattoni, Rowe, Snipes, Whittaker

Board Chair Stephens called for a 10-minute recess at approximately 12:02. The board reconvened from recess at approximately 12:12.

c. Shape Your Future Evaluation Presentation

Dr. Beebe presented results of the Shape Your Future (SYF) selected evaluation which surveyed a target population of adults with a child or children in the home. Data collected by May 25 through November 17, 2021, resulted in 513 completed surveys. Data indicated all but one of the survey's targeted benchmarks were reached in 2021 and shared the following data collected:

- 55% were aware of SYF program messages, which exceeds a 51% target
- 55% saw a SYF related message in the past month, a 6% increase from 2017
- Confirmed recall of SYF Eat Better/Move More and/or Rethink Your Drink decreased from 26% in 2016 to 15% in 2021
- Those who strongly agree physical habits learned in childhood stay with a person throughout their lifetime, and those who make sure their children get 60+ minutes of exercise per day saw similar consecutive averages of 51-54% from 2015 to 2021
- 80% report their children meet recommended amounts of sleep; however only 45% of adults meet recommendations.
- A misalignment of individuals' perceptions about their own weight indicated many don't see themselves as overweight or obese when the BMI indicates otherwise.

Board Chair Stephens asked the percentage of obesity in Oklahoma. Dr. Beebe indicated 20-35% of adults in Oklahoma are considered obese, 40-50% are considered overweight. The ideal weight category is the minority in Oklahoma. However, the percentage of Oklahomans who agree sugar sweetened beverages are linked to obesity, heart disease and diabetes increased in the last few years. No action required.

d. Health Communications Adult-Focused Brands

Paulson reported TSET Health Communications received a Gold Addy award for the “Chase Testimonial” campaign as well as two Silver Addy awards for helpline media products. Swap Up ads are currently filming in Oklahoma and Tobacco Stops With Me ads will be filmed in Oklahoma. No action required.

e. Health Communications Youth-Focused Brands

Paulson shared 47 youth are participating in MLMQ and 10 youth registered with OTH. TSET set an RFP target to increase services to youth aged 13 to 18 from 29 annually to 100 annually. In the first quarter of 2021, 69 youth registered and engagement on peer-to-peer platforms increased. No action required.

f. Public Health Academy of Oklahoma Update

Paulson shared The Online Learning Community (OLC) Managers and Community Council leadership groups meet regularly with the OK In the Know (OKITK) team and identified peer networking in the Forum and live networking / learning opportunities as priorities to advance collaboration and public health impact. OKITK hosted online events in January with a combined total of over 80 in attendance resulting in positive evaluations and continued interest. No action required.

g. Sponsorships

Board Chair Stephens recognized Thomas Larson, TSET Public Information Officer, to report TSET recently sponsored the Oklahoma Department of Agriculture’s Local Ag Summit. So far \$17,242 of the \$35,000 budget, or 49.3%, has been spent on sponsorships. No action required.

h. Upcoming Events and Training

Larson shared TSET will present at the Oklahoma Dental Hygienist Conference tomorrow and will have a booth at the Oklahoma Dental Association Conference in April. A midsession webinar for grantees is scheduled April 5 and the legislature must adjourn by May 27. No action required.

i. Outreach Update

Larson reported TSET held a virtual panel to observe our 20th Anniversary with more than 100 people in attendance. TSET was recognized by the CDC during their regular Media Network Call. TSET continues to meet with legislators and launched a well- received monthly newsletter for lawmakers. TSET also developed white papers around several health policies and met with associations and advocacy groups to build relationships and discuss policy goals. No action required.

j. Legislative Update

Larson informed the board of today’s legislative deadline and a detailed update as of 5:00 p.m. yesterday is provided in their meeting packets. A list of bills TSET is tracking is also included in the packet to include:

- HB 3315 which replaced fines on youth found possessing tobacco with cessation education.
- HB 3349 and SB 1495, eliminates current 4.5% state sales tax on groceries but disagree whether candy and sodas are considered groceries. Local sales taxes will not be affected.

- HB 2381 requires school districts to conduct annual fitness assessments.
- HB 3415 allows board members to attend and vote in up to ¼ of board meetings virtually annually
- SB 1547 which requires all public bodies with a website publicly stream their board meetings.

No action required.

Board Member Susanna Gattoni left the meeting.

9. Personnel Actions

a. Consideration of a motion and vote to enter into Executive Session pursuant to 25 O.S. § 307 (B)(1) for the discussion of employment of any individual salaried public officer or employee

i. Executive Director Performance Evaluation

ii. Health Communication Brand Manager

iii. Program Officer

iv. Training Manager

Allen moved to enter into executive session, Whittaker seconded. Motion approved. Board entered into executive session at approximately 12:35 p.m.

Aye: Stephens, Allen, Benjamin, Rowe, Snipes, Whittaker Absent: Gattoni

b. Discussion and action to reconvene to open session

Allen moved to reconvene to open session. Snipes seconded. Motion approved. Board reconvened from executive session at approximately 1:02 p.m.

Aye: Stephens, Allen, Benjamin, Rowe, Snipes, Whittaker Absent: Gattoni

c. Discussion and possible action on a motion and vote related to the employment of any individual salaried public officer or employee

i. Executive Director Performance Evaluation

No action was taken.

ii. Health Communication Brand Manager

Bisbee recommended an offer of employment to candidate A for the position of Health Communication Brand Manager at a salary in the range of within the posted range of \$55,000 - \$65,000 with candidate B as a backup should candidate A decline the position. Rowe moved to approve candidate A for the position of Health Communication Brand Manager as recommended. Snipes seconded. Motion approved.

Aye: Stephens, Allen, Benjamin, Rowe, Snipes, Whittaker Absent: Gattoni

iii. Program Officer

Bisbee recommended an offer of employment to candidate A for the position of Program Officer at a salary in the range of \$50,000 - \$60,000 with candidate B as a backup should candidate A decline the position. Allen moved to approve candidate A for the position of Program Officer as recommended. Snipes seconded. Motion approved.

Aye: Stephens, Allen, Benjamin, Rowe, Snipes, Whittaker Absent: Gattoni

iv. Training Manager

Bisbee recommended an offer of employment to candidate A for the position of Training Manager at a salary in the range of \$55,000 - \$65,000. Whittaker moved to approve candidate A for the position of Training Manager as recommended. Rowe seconded. Motion approved.

Aye: Stephens, Allen, Benjamin, Rowe, Snipes, Whittaker Absent: Gattoni

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)]

No new business was presented.

11. Adjournment

As there was no new business presented Benjamin made a motion to adjourn. Allen seconded. Motion approved. Meeting adjourned at approximately 1:10 p.m.

Aye: Stephens, Allen, Benjamin, Rowe, Snipes, Whittaker Absent: Gattoni