



**Oklahoma Tobacco Settlement Endowment Trust**

Board of Directors Regular Meeting Minutes

10:00 a.m., Thursday, March 23, 2023

Stephenson Cancer Center

800 NE 10<sup>th</sup> St, Seminar Room 5058

Oklahoma City, OK 73104

**1. Open Meeting Act Announcement and Call to Order**

Chair Marshall Snipes called the meeting to order at 10:06 a.m. and declared a quorum. Board members present were Board Chair Marshall Snipes, Vice-Chair Susanna Gattoni, Ken Rowe, Michelle Stephens, and Runako Whittaker. Jack Allen and Bruce Benjamin were absent.

Staff present were Executive Director Julie Bisbee, Chief of Staff Lance Thomas, Director of Programs Jonás Mata, Assistant Director of Programs Jessica Davis, Director of Finance Allison McMichael, Director of Health Communication Sjonna Paulson, Director of Public Information and Outreach Thomas Larson, Director of Grants Management Tessa North, and Executive Assistant Samantha Piñeiro.

**2. Approval of the January 26, 2023, TSET Board of Directors Regular Meeting Minutes**

Vice Chair Susanna Gattoni moved to approve the minutes of the January 26, 2023, Board of Directors Regular Meeting. Runako Whittaker seconded.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

**3. Chair's Report**

**a. Update on OCASCR grants – Bruce Benjamin**

Executive Director Julie Bisbee presented a brief OCASCR update on TSET funds which OCASCR regrants for research and equipment. Recent funding supported 18 research programs and 2 pieces of scientific equipment which will be made available to all Oklahoma scientists. Bisbee indicated Benjamin spoke highly of serving on the OCASCR review committee. No action required.

**4. Executive Director's Report – Julie Bisbee, Executive Director**

**a. Overview of Executive Director Activities and Agency Updates**

Executive Director Julie Bisbee reported Dr. Hart, Director, Oklahoma Tobacco Helpline, accepted a job outside of the OU Health Sciences Center System and will no longer oversee the Helpline. Service to participants will not be disrupted in the interim and next steps are in process to determine oversight of the program. Executive Director Bisbee attended the Tulsa River Trails groundbreaking ceremony with board member Runako Whittaker and will attend additional events across the state in board members' districts to which board members will be invited. More information on upcoming travel for groundbreaking ceremonies, current FY24 budget planning and potential staffing increases will be presented today in following agenda items. No action required.

## **b. Introduction of new staff**

### **i. Director of Finance Allison McMichael**

Executive Director Julie Bisbee introduced Allison McMichael TSET's new Director of Finance. Allison has over 13 years of experience in finance, analytics, and accounting with organizations such as OU Health, Oklahoma City Public Schools, and Oklahoma Arts Council. No action required.

### **c. Listening Sessions Update – Next Steps**

Executive Director Julie Bisbee presented the final report of FY22 TSET Rural Health Project Listening Sessions conducted by Ed Long, Chief Impact Officer, Metafund. In person and virtual listening sessions were held in Guymon, Woodward, Elk City, McAlester, Idabel, and Pawhuska. Findings indicated top challenges were access to health care, social drivers of health, sustainability, health literacy, public health workforce, buy in from community leaders, funding, community capacity, and the "all or nothing" approach of grant prerequisites.

Top priorities were health care access, social drivers, age-in-place care, projects aligning resources with local values, strong local leadership, and community agency recognized in projects. Top health concerns were diabetes, heart disease and cancer. Participants preferred to receive technical assistance from grantors to reach or meet requirements as opposed to prerequisites, and want ongoing assistance for workforce recruitment, training, and technical support. A simpler grant application system was suggested, but overall, the majority were satisfied with their experience with TSET grants. Strategies suggested to build community engagement were improving health literacy, strategic partnerships, financial incentives for healthier behaviors and increased health related community events and activities. Based on this feedback, TSET Leadership determined priority strategies to be technical assistance for grant implementation, healthcare workforce recruitment and retention, strategic partnerships, and financial incentives to increase the rural healthcare workforce.

MetaFund's final recommendations are to keep communication channels with rural stakeholders, make community agency a component of planning, implementation, monitoring and evaluating grant projects, create a stakeholder advisory structure, share project findings with other public health organizations, explore partnerships with participating stakeholder groups, consider Pay For Success funding structures, and, connect rural health stakeholders to healthcare workforce planning and funding discussions at the state level.

TSET's next steps will report these findings and strategies to the stakeholder participants for their input of the strategic rural plan. It was noted grant opportunities have since been awarded in some participating communities. The final report will be provided to the strategic planning consultant. No action required.

## **5. Governance Committee Report – Michelle Stephens, Bruce Benjamin**

### **a. Discussion and possible action to adopt a consent agenda policy for TSET Board Meetings**

Executive Director Julie Bisbee presented a consent agenda policy to approve routine business items in a single vote. Consent agenda items will include approval of past meeting minutes, funding awards, contract revisions, and standard departmental reports. Items will be individually listed on the consent agenda and may be pulled by a board member for additional discussion prior to the vote. If the

consent agenda policy is approved, it will go into effect at the June 2023 board meeting. As this item is a recommendation from committee, no motion or second is required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

**b. Discussion and possible action to adopt Board Policy Manual**

Executive Director Julie Bisbee presented the TSET Board of Directors Policy Manual which is intended to compliment the bylaws approved by the board in May 2022. Chair Marshall Snipes noted the following edits will be made should the manual be approved:

- replace “Portions of the,” with “The” to correct the first sentence in Section 2.1
- language in section 2.1 regarding committee meeting attendance will be made consistent in sections 2.2, 2.3, 2.4, and 2.5 by removing the term “mandatory”
- remove the word “these” in section 2.2
- remove the word “legal” in Exhibit C: Board Service Agreement

An appendix with a chart of required actions of the board based on state statute and constitution along with the statutes containing was added to the policy manual. As this is a recommendation by committee, a motion and second is not required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

**6. Agency Operations Committee Report – Jack Allen, Susanna Gattoni**

**a. Financial Reports**

**i. FY23 Budget to Actual – Operating**

**ii. FY23 Budget to Actual – Programs**

Director of Finance Allison McMichael presented TSET Financial reports which show FY2023 Budget to actual spend rates at 53% for Operating and 25% for Programs. At this time FY22 the Operating spend rate was 60%, but the FY23 rate shifted due to increased budgeting and staff. Acceleration in Programs is expected in the remainder of FY23 due to timing of contract payments, but there will be lapse funds collected which will be discussed later in the agenda. Strategic planning is underway to ensure better spending rates in FY24. No action required.

**b. Analysis of Reserves and Three-Year Rolling Average**

The three-year rolling average is used to determine TSET annual budgets. The FY23 three-year rolling average is calculated at \$3.7 million. Due to recent market fluctuations, use of reserve in FY24 is anticipated; however, according to the most recent Board of Investors (BOI) report, the market is expected to rebound in upcoming years. As of March 23, 2023, TSET’s treasury reserve is in good standing, but the agency should continue to be strategic in future budgeting. No action required.

**c. Overview of TSET Balance Sheet**

A \$13.8 million change in assets from September 2022 to December 2022 was noted due to decreasing liabilities for payments made during the quarter. A 26% increase in liabilities from prior year is anticipated this year due to the addition of \$9.5 million in grant funding. No action required.

**d. Budget Revisions**

**i. FY23 Operations Budget Revision**

**ii. FY23 Program Budget Revision**

FY23 Operating budget revisions will result in a \$0 net change; however unused travel and membership funds will be re-allocated for completion of the Persimmon Group contract for Concept of Operations work. FY23 Programs revisions reduction of \$7,242,915 is due to lapse funds from grantee budgets which were not utilized this fiscal year. A proposal to reallocate these funds will be addressed in separate agenda items later in the meeting. As the FY23 Operations and Program Budget revisions were items recommended by committee, a motion and second is not required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

**e. FY24 Draft Budget Discussion**

The FY24 Draft Budget of \$75,184.764 was presented, which is lower than the three-year rolling average plan. Strategic planning for the FY24 Draft Budget reflects increases in grants, research, and personnel. No action required.

**f. FY23 Strategic Planning Process Timeline**

Chief of Staff Lance Thomas presented an overview of the Strategic Planning Process Timeline which begins with the discovery phase scheduled April 24-26, 2023. The Persimmon Group was awarded the contract in January and will conduct 1:1 interviews with board members during the discovery phase as well as collect surveys and hold focus groups. Four key sessions are scheduled May 17 through June 9, 2023, to review findings, conduct analysis, define strategic outcomes, identify, and prioritize goals, and implement planning. A final strategy presentation and delivery of the strategic plan will be provided at the August Board Retreat. No action required.

**g. Update on business function planning**

A video regarding the concept operations project and future organizational structure of TSET was provided by Bill Fournet, CEO and Founder of the Persimmon Group. The video provided a summary of key findings, recommendations, and next steps for the agency as TSET shifts to an organizational model with improved focus which will create short and mid-term outcomes by program to prioritize and validate efforts.

The timeline for organizations changes is set to begin July 1 with review of changes the following quarter.

No action required.

**7. Programs Committee Report – Jack Allen, Runako Whittaker**

**a. Discussion and possible action to award TSET grant funds – Tessa North, Director of Grants Management**

**i. Healthy Incentive Grants for Schools**

Director of Grants Management Tessa North presented proposed awards of \$71,000 for Healthy Incentive Grants to the following schools:

Organization	County	Intended Use	Recommended Amount
Bennington Elementary School	Bryan	Increase physical activity by adding playground equipment for elementary school	\$3,000
Bennington High School	Bryan	Encourage health & fitness by purchasing Phys Ed Equipment for High School	\$3,000
Charter Oak Elementary School	Logan	Provide rubber mulch ground cover under existing play structures	\$4,000
North Rock Creek Elementary School	Pottawatomie	Purchasing equipment for nurses station, physical education classroom and health ed programs	\$20,000
Oklahoma School for the Blind -- Elementary	Muskogee	Provide safe and accessible walking environment at school entry by combining funds from all school site awards	\$5,000
Oklahoma School for the Blind -- Middle School	Muskogee	Provide safe and accessible walking environment at school entry by combining funds from all school site awards	\$5,000
Oklahoma School for the Blind -- High School	Muskogee	Provide safe and accessible walking environment at school entry by combining funds from all school site awards	\$5,000
Tahlequah High School	Cherokee	Purchase educational curriculum to promote healthy life choices, decrease tobacco/vape use by students and update no tobacco/no vape/no smoke signage	\$6,000
Will Rogers Elementary School	Pittsburg	Promote physical activity by updating playground for younger students and students w/varying developmental abilities	\$20,000
		<b>Total:</b>	<b>\$71,000</b>

Awards for Healthy Incentive Grants for Schools was recommended by committee, a motion and second is not required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

### iii. Healthy Incentive Grants for Districts

Director of Grants Management Tessa North presented proposed awards of \$15,000 for Healthy Incentive Grants to the following districts:

Organization	County	Intended Use	Recommended Amount
Alex Public Schools	Grady	Promote physical activity by purchasing outdoor equipment and updating safety equipment including AED's and first aid kits	\$8,000
Glenpool Public Schools	Tulsa	Increase and update Health Ed curriculum and resources for school staff and Phys Ed dept. to implement Health Education Act in PK-12 district	\$7,000
		<b>Total</b>	<b>\$15,000</b>

Awards for Healthy Incentive Grants for Districts was recommended by committee, a motion and second is not required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

### iii. Discussion and possible action on FY23 contracts and amendments

Director of Grants Management Tessa North presented a slate of contracts to utilize \$640,144 of FY23 funds.

<b>Contractor</b>	<b>Amount</b>	<b>Use of Funds</b>	<b>New Agreement/Amendment to Current Agreement</b>
Rescue Agency – YAHL	\$40,000	Expansion of current work with middle and high school youth	Amendment to FY23 agreement
Oklahoma Department of Mental Health and Substance Abuse Services – Prevention Services	\$34,200	Funding for tobacco retailer compliance checks for retailers in targeted counties	New agreement for FY23
Bethany Children’s Health Center – Healthy Schools Oklahoma	\$100,000	Funding for school site projects that promote physical activity	Amendment to FY23 agreement
Oklahoma Senior Games	\$29,150	Funding for additional coaches and facilities. Printing of banners and fliers to promote the Games. Funding for admin support	Amendment to FY23 agreement
Oklahoma Association of Youth Services	\$137,281	Additional funding for travel and training, purchase of supplemental curricula that best demonstrates an answer to needs-assessment related concerns within their respective given population	Amendment to FY23 agreement
BerryDunn	\$40,000	Funding to provide specialized technical assistance on a variety of projects	New agreement for FY23
OUHSC – HPRC	\$134,523	Research equipment and supplies	Amendment to FY23 agreement
OMRF – OCASCR	\$125,000	Scientific equipment grant for purchase of MERSCOPE, which will be added to OCASCR’s core equipment and accessible to all Oklahoma scientists	Amendment to FY23 agreement

**Total: \$640,154**

As the re-allocation of lapse funds was recommended by the Programs Committee, a motion and second is not required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

**iv. Discussion and possible action to fund 2023 Oklahoma Adult Tobacco Survey – Ashley White, Director of Biostatistics and Epidemiology Research Design and Analysis Center, OUHSC**

Director White presented a request for funds in the amount of \$150,000 to conduct the 2023 Oklahoma Adult Tobacco Survey (OATS). The survey was previously funded by the CDC and conducted every two years, however CDC discontinued funding. The last survey was done in 2016.

The survey assesses the prevalence of tobacco use and factors promoting and impeding tobacco use among adults. Its objective is to provide statewide tobacco knowledge, attitudes, and behavior estimates for the overall adult population and specifically for adult tobacco users in Oklahoma. The project will be TSET, OSDH, and OUHSC collaboration. TSET and OSDH will each contribute half the total cost. Funding will cover the cost of data collection. The scope of work will begin July 1, 2023

(FY24) and concludes with delivery of the data set and final report by June 30, 2024. As funding for OATS was recommended by committee, a motion and second is not required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

**v. Discussion and possible action to fund FitnessGram implementation – Fahad Khan, Director of Community Analysis & Linkages, OSDH**

Director Khan presented a request of \$150,000 in FY23, with a total of \$1.15 million requested through FY26 for the implementation of FitnessGram in Oklahoma schools. FitnessGram is one of the most widely used fitness assessment tools in the US.

FitnessGram will assess different aspects of a student’s physical health and aligns with provisions of the Oklahoma Health Education Act. Funding will update of academic standards and development of micro-credentials with certifications for teachers conducting the program. The project will begin FY23-24 in collaboration with OSDE and will provide time sensitive data. The proposal will fund a pilot program of three years in up to 100 Oklahoma schools with plans to recruit at least 25 schools in the first three months.

A previous attempt at implementing FitnessGram was discussed in which there was difficulty getting schools to volunteer and provide data. Director Khan confirmed OSDH’s relationship with OSDE drastically improved and it is anticipated this will address the previous issues.

FitnessGram is a product of the Cooper Institute, who will provide access to their secure platform for schools to record data. Board member Runako Whittaker asked if the project was discussed with the Oklahoma chapter of the American Academy of Pediatricians (OKAAP). Director Khan stated OKAAP is an active participant with the Statewide Obesity group. Director Khan noted FitnessGram should also measure the success of implementation of health education legislation. As funding of FitnessGram is a recommendation from committee, a motion and second is not required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

**b. Healthy Incentive Grants Evaluation Results – Noelle Kleszynski, Evaluation Program Manager, Department of Biostatistics and Epidemiology, OUHSC**

**i. FY22 -- Schools & Communities Evaluation Findings**

**ii. FY22 – Post Award Survey of Applicant’s Process Experience**

Program Manager Noelle Kleszynski presented findings from an evaluation of FY22 TSET Healthy Incentive Grants for Schools and Communities. A brief video of funded projects illustrated how these funds create impactful partnerships which provided nutrition classes, new playgrounds, community fitness centers, weight rooms, gymnasiums, hydrations stations and farmers markets. The FY22 Post Award Survey received a 74% response rate and indicated most community, district and school sites were able to meet the high impact policy and practice criteria, reported continued implementation is likely, and agreed implementation improved schools’ and districts’ overall which led to healthier school environments.

Most reported issues with vape use enforcement, but also reported their grant experience was key to building a health minded school culture. Most were more ready to adopt and implement key tobacco-related polices compared to those related to nutrition and physical activity, and reported

positive impacts were decreased public smoking/vaping, healthier citizens, and a healthier working environment. A majority of school and communities found the incentive grant program extremely or very valuable to improving local health and indicated the policies and projects would not have happened without TSET guidance and support.

Overall, data determined the program is achieving its intended purpose to support communities and schools in the adoption of health policies and best practices to improve the health and quality of life for Oklahomans. No action required.

**c. YAHL CounterAct Tobacco Survey Findings – Carlye Hausbeck, Program Supervisor, Rescue and Alex Handfinger, Senior Account Manager, Rescue**

A total of 4,848 YAHL opinion surveys were collected by YAHL members throughout FY22 across Oklahoma. Key insights from the surveys indicate increased public concern about youth tobacco use and increased support of tobacco control policies and licensure of retailers. The survey also indicated Oklahomans support increased education on youth related tobacco and vape issues. No action required.

**d. HPRC expansion into obesity-PAN research, Jonás Mata, Director of Programs**

Director of Programs Jonás Mata provided an update of HPRC plans to expand into Obesity-Physical Activity and Nutrition (PAN) research. This would expand their current research focus of reducing risk factors of cancer to study up to thirteen types of cancer directly related to obesity. This is a new area of study for Oklahoma and nationally and more detailed information regarding the research expansion is provided in the agenda packet. The HPRC will be seeking funding of \$1,000,000 once they gather additional information requested by the programs committee. No action is required.

**8. Public Information and Outreach Committee -- Michelle Stephens, Ken Rowe**

**a. Discussion and possible action on FY23 contracts and amendments**

Sjonna Paulson, Director of Health Communication presented a slate of contracts totaling \$800,000 in FY23 funds:

<b>Contractor</b>	<b>Amount</b>	<b>Use of Funds</b>	<b>New Agreement/Amendment to Current Agreement</b>
VI Marketing and Branding	\$600,000	Promotion of a new limited time offer of expanded NRT for callers to the Oklahoma Tobacco Helpline	Amendment to FY23 agreement
Rescue Agency – Adult Media	\$200,000	Quit the Hit expansion	Amendment to FY23 agreement

**Total: \$800,000**

As the funding was recommended by the PIO/HC Committee, a motion and second is not required.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

**b. Health Communication Adult-Focused Brands**

**c. Health Communication Youth-Focused Brands**

Adult and Youth-focused brands are performing as expected with heavy filming plans the next three months for ads to promote Shape Your Future (SYF), the Oklahoma Tobacco Helpline (OTH), and Tobacco Stops With Me (TSWM).

TSET won “Best of Show” at the American Advertising Federations “ADDY” Awards for “It’s Like They’re Smoking.” The Swap-up Day of Action launched March 22<sup>nd</sup> in 70 schools across the state. TSET filmed students at Jenks, Luther, and Millwood schools for rural and urban perspectives during the event. Clips were distributed state-wide at the end of day and ads and media content are available on the TSET Website and each campaign site. No action required

#### **d. Legislative Update – Thomas Larson, Director of Public Information and Outreach**

Director of Public Information and Outreach Thomas Larson provided the legislative report which noted HB2254, by Representative Burns (R-Pawnee) and Senator Stewart (R-Yukon), is still active and passed an Appropriations and Budget Select Agencies Subcommittee vote and a full Appropriations and Budget Committee vote. This bill would require the Board of Investors of the Tobacco Settlement Endowment Trust Fund to invest 4% of the endowment in Oklahoma-based venture capital entities.

Larson provided an update on additional bills that were being tracked this legislative session. No action required.

#### **e. Outreach**

TSET Staff attended grant groundbreaking events for the River Parks Authority Turkey Mountain Trail, OSU OKC Walking Track and Senior Life Services in Tulsa. The OSU Botanic Garden ground-breaking ceremony is scheduled March 30, and check presentations were conducted all over the state. TSET staff met with freshman legislators to introduce them to the agency and TSET staff participated in interviews with KOCO, Telemundo, and OSU Journalism regarding youth vaping, and recent funding for the SCC Lung Cancer Screening Bus and project Echo. No action required.

#### **f. Sponsorships**

As of March 2023, TSET has spent \$27,000 of the \$35,000 budgeted for sponsorship of 20 events across the state. No action required

#### **g. Upcoming Events and Trainings**

A list of upcoming and relevant events and trainings was provided. No Action Required.

### **9. Executive Session**

**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 for any individual salaried public officer or employee.**

**i. Executive Director Performance Evaluation and Compensation**

**ii. Personnel Actions**

Ken Rowe moved to enter into executive session to discuss the executive director performance evaluation and other personnel actions. Runako Whittaker seconded.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

*Executive session entered at 12:45 p.m.*

**b. Consideration of a motion and vote to return to Open Session**

Susanna Gattoni moved to return to open session. Michelle Stephens seconded.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

*Returned to open session at 1:00 p.m.*

**c. Discussion and possible action on a motion and vote related to executive director's performance**

There was no motion or action taken on item c.

**11. 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 presented.

**12. Adjournment**

Runako Whittaker moved to adjourn. Ken Rowe seconded.

***Aye: Gattoni, Rowe, Stephens, Whittaker, Snipes. Allen and Benjamin were absent. Motion carried.***

*Meeting adjourned at 1:05 p.m.*