

Shaping Oklahoma's Future

OKLAHOMA TOBACCO SETTLEMENT ENDOWMENT TRUST · FY2011 ANNUAL REPORT



"The best way to predict the future is to create it."

- PETER F. DRUCKER



5320 Oklahomans

could be saved each year if our state simply met the national average for health measures.

Are you one of the 5320? Our lives, the lives of our friends and loved ones, hang in the balance. Support bold action to improve the health of all Oklahomans.

Currently, Oklahoma ranks 46th nationally for health, but we have a blueprint to improve that health ranking through the **Oklahoma Health Improvement Plan**. This plan, requested by the Oklahoma Legislature, sets a clear path for our state and offers these policy steps for action NOW:

- 1 Restore the rights of local communities to pass tobacco use prevention policies that are stronger than state law.
- 2 Assure health education is taught in all state public schools in sixth, seventh or eighth grade.
- 3 Prohibit the use of a hand-held electronic device while driving for all drivers under 18 years of age.

Let's take these first steps to improve our health!
5320 Oklahomans are counting on us.

Find out more at ShapeYourFutureOK.com



Creating Change

REACHING MILESTONES, EMBARKING ON NEW TERRITORY...

Each year, more Oklahomans are working to become healthier, more productive citizens. Since TSET began its work to prevent and reduce tobacco use, the number of adult and youth smokers in Oklahoma has decreased. More Oklahomans are calling the Oklahoma Tobacco Helpline to quit smoking and TSET's work is helping to make tobacco-free communities a reality across the state.

For the first time since TSET began its work in 2000, there are more former smokers than current smokers in Oklahoma. That means our work with partners, community coalitions and businesses is paying off. Tobacco use is becoming less of the norm, and many Oklahomans are enjoying a healthier way of life. While we are encouraged by this progress, we still have a long way to go.

In addition to our high smoking rates, Oklahoma is ranked dead last in fruit and vegetable consumption. And preventable diseases like heart disease and diabetes are among our state's top causes of disability and death.

The Institute of Medicine points out it is "unreasonable to expect people will change their behavior easily when so many forces in the social, cultural, and physical environment conspire against such change." That's why we are going to the heart of our state, to its people and local communities, to help Oklahomans live healthier, more productive lives.

TSET, created 11 years ago by overwhelming voter support, is taking on the task of energizing the dialogue about what it means to be healthy. We are helping to create community, business, health care, and school environments that make the healthy choice the easy choice.

In FY2011, the TSET Board of Directors approved a new comprehensive program that will take the lessons learned in our many years working in tobacco

prevention and cessation and empower Oklahomans to improve their nutrition and fitness.

As a first step, TSET funded nutrition and fitness grants in 15 communities. After a year of preparation, we look forward to seeing their plans become a reality over the years to come. In 2011, we also partnered with the Oklahoma State Department of Health, businesses, government and nonprofit organizations to raise awareness about Oklahoma's health. We piqued the interest of Oklahomans with the 5320 teaser campaign. This number represented the lives that could be saved from premature deaths if Oklahoma just met the national average health indicators in the United States. The teaser campaign launched the Shape Your Future public awareness campaign that continues today.

In addition to our strategic work in prevention, TSET is deepening its investment in research in cancer and tobacco related diseases. This cutting-edge research will help assure that TSET's programs are based on the best science available, and will open up new opportunities to treat Oklahomans who are suffering from the consequences of tobacco use, poor nutrition, and physical inactivity.

Since its inception, TSET has been a consistent force for change. With this new work, we will continue to advance our mission by helping all Oklahomans live better lives through better health.

Kenneth D. Rowe, Chair, Board of Directors

Tracey Strader, MSW, Executive Director

You do everything to protect your kids. Protect them from secondhand smoke. It causes asthma, ear infections and bronchitis.

TOBACCO STOPS WITH ME.
StopsWithMe.com

What Guides Us

VISION

Improving the Health of Every Oklahoman

MISSION

To improve the health and quality of life of all Oklahomans through accountable programs and services that address the hazards of tobacco use and other health issues.

VALUES & BEHAVIORS

- To encourage programs and initiatives that are based on the best research available, follow practices with proven results, and provide the best opportunity for success.
- To explore emerging opportunities that encourage creative and innovative approaches.
- To work cooperatively with other public and private organizations and funders to support joint efforts that will use funds efficiently, avoid duplication, minimize administrative expense and provide the opportunity for sustained activity.
- To plan and encourage community-based comprehensive services for urban and rural areas of Oklahoma.
- To make funding decisions based on the best interests of the people of Oklahoma and the merits of the proposals.
- To encourage grantees to leverage additional resources through partnerships, grants and other monetary and in-kind contributions.



Gov. Mary Fallin takes part in the launch of the 5320 campaign at the Stanley Hupfeld Academy in February 2011. The 5320 campaign highlighted the number of men and women whose lives could be saved if Oklahoma simply met the national average for health measures.

Overview

Oklahoma is the only state in the nation to constitutionally protect the majority of the Master Settlement Agreement funds in an endowment which ensures a growing funding source dedicated to improving the health of Oklahomans for generations to come.



The Endowment is a long-term strategy to improve Oklahoma's health status. Earnings have gradually increased each year from a low of \$650,000 in to a high of \$18 million in FY2011.

Earnings from the trust fund may be expended for the following purposes:

- Clinical and basic research and treatment efforts in Oklahoma for the purpose of enhancing efforts to prevent and combat cancer and other tobacco-related diseases;
- Cost-effective tobacco prevention and cessation programs;
- Programs designed to maintain or improve the health of Oklahomans or to enhance the provision of health care services to Oklahomans, with particular emphasis on such programs for children;
- Programs and services for the benefit of the children of Oklahoma, with particular emphasis on common and higher education, before- and after-school and pre-school programs, substance abuse prevention and treatment programs and other programs and services designed to improve the health and quality of life of children;
- Programs designed to enhance the health and well-being of senior adults.

The TSET Board of Directors engages in regular strategic-planning processes involving a review of research and input from key stakeholders including elected officials, private funders, state agency leadership, voluntary organizations, and health advocates from across the state. Stakeholders have overwhelmingly agreed that the board is

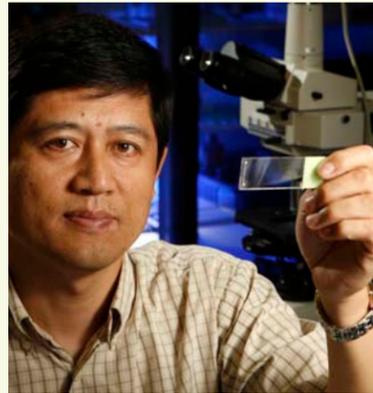
on track with its mission to improve the health of every Oklahoman by reducing Oklahoma's leading causes of death.

- Oklahoma ranks last among states in cardiovascular disease deaths.
- Cancer is the second leading cause of death, affecting one out of three Oklahomans.
- Tobacco use, physical inactivity, and poor nutrition are the leading preventable causes of cardiovascular disease and cancer.
- These preventable causes of death cost the state billions of dollars each year.

TSET-funded programs are based on strong evidence of effectiveness and are rigorously evaluated. In the early years

of the endowment, program funding was focused solely on supporting the Oklahoma State Plan for Tobacco Use Prevention and Cessation. The current strategic plan maintains a primary focus on reducing tobacco use while initiating programs to help fulfill the *Oklahoma Physical Activity & Nutrition State Plan*. In each case a statewide, comprehensive program is required to stem the tide of preventable disease, disability, and death. In addition, the board has funded research in tobacco control and adult stem cell research in an effort to advance the prevention and treatment of cancer and other tobacco-related diseases.

Unsolicited proposals are also accepted to respond to emerging opportunities to improve health in our state.



Lijun Xia, with the Oklahoma Medical Research Foundation, is one of the many scientists funded by TSET's research dollars at the Oklahoma Center for Adult Stem Cell Research.



Lone Grove Students Working Against Tobacco (SWAT) team from Carter County Turning Point show "the love" to create a tobacco-free community.

Key Prevention Outcomes

TSET works with numerous partners and grantees to help fulfill the *Oklahoma State Plan for Tobacco Use Prevention and Cessation, Oklahoma Physical Activity and Nutrition State Plan, and the Oklahoma Health Improvement Plan*. The following accomplishments have been realized as a result of TSET funded programs and partnerships with the Oklahoma State Department of Health, other state agencies, businesses, communities, and tribal nations, as well as the public policies enacted by the State Legislature and Oklahoma voters.

OUTCOME MEASURES

- Adult smoking prevalence decreased from 28.7% in 2001 to 23.7 % in 2010.
- Quit attempts are at an all-time high, having increased from 48.1% in 2001 to 58.4% in 2010.
- The number of cigarette packs sold has decreased from 108.1 packs per person in 2001 to 71.2 packs per person in 2010.
- 74.4% of Oklahoma households reported having a smokefree home policy in 2010, compared with only 54.9% in 2001.
- The number of Oklahoma high school youth identified as “committed non-smokers” has increased from 25.5% in 1999 to 40.3% in 2009.
- The number of Oklahoma middle school youth identified as “committed non-smokers” has increased from 41.4% in 1999 to 64.1% in 2009.

PUBLIC POLICIES

- In 2003, the State Legislature amended the Smoking in Public Places and Indoor Workplaces Act which made most workplaces smokefree. Significant exemptions in the Act included free standing bars.
- In 2004, Oklahoma voters approved a tobacco excise tax increase, one of the single-most effective means of reducing youth smoking. The State Legislature strengthened the Prevention of Youth Access to Tobacco Act.

- In 2009, the Clean Air in Restaurants Act established a rebate program to incentivize restaurants to close smoking rooms and become smokefree. The same bill also created the Oklahoma Certified Healthy Communities Act and Oklahoma Certified Healthy Schools Act establishing advisory committees to develop criteria by which communities and schools may be certified.

COMMUNITY BASED PROGRAMS

- 85% of Oklahomans live in a community covered by a TSET Communities of Excellence in Tobacco Control grant. 34 coalitions have been funded to implement programs in 51 counties and 1 tribal nation.
- 181 Students Working Against Tobacco teams are actively working with their peers and within their communities to promote tobacco free policies, expose tobacco industry marketing practices, and prevent youth from using tobacco products.

- 24/7 Tobacco-Free Property Policies:
 - More than 250 public school districts. Two-thirds of Oklahoma’s public school students attend a tobacco-free school.
 - 17 universities and 5 career techs.
 - All Oklahoma State University campuses. OSU was the first Big 12 school to go tobacco-free.
 - Dozens of Oklahoma businesses. Dollar Thrifty’s tobacco-free policy was extended nationwide.
 - 27 Oklahoma City and Tulsa area hospitals and 23 rural hospitals.
 - At least a dozen communities have passed ordinances making their parks tobacco-free.
 - 3 housing authorities in northeast Oklahoma.
 - 4 state agencies.
 - 3 tribal nations adopted the policy for government-owned property, excluding casinos.
 - Many organizations adopting tobacco-free property policies also offer smoking cessation services.



Student leaders at Spiro Middle School celebrate the school’s adoption of a 24/7 tobacco-free policy in March 2011.

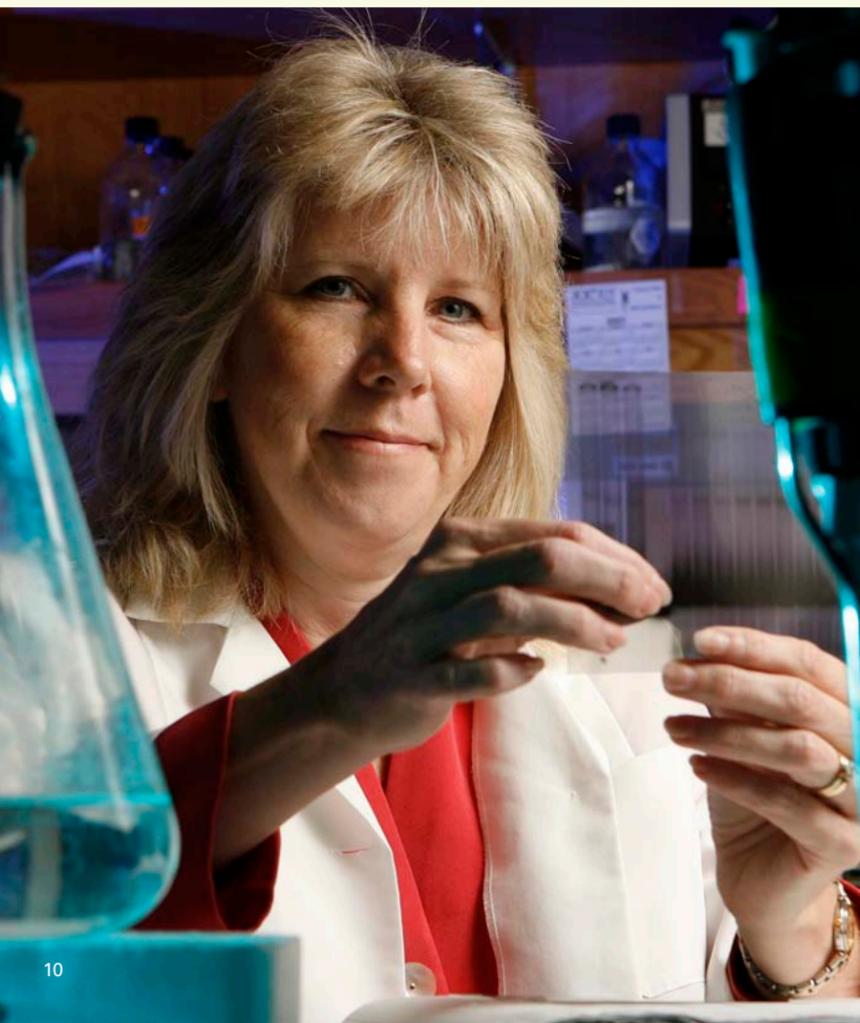


Cleveland County Turning Point promotes Tobacco Stops With Me at the Moore War 5k run.

Research We Fund

TSET is dedicated to investment in cutting-edge research by Oklahoma scientists in the biomedical and behavioral sciences, to advance health, leverage outside research dollars and expand the number of highly skilled jobs in the state.

TSET has dedicated \$10.5 million to establish two new research centers in Oklahoma — the Oklahoma Tobacco Research Center at the OU Cancer Institute and the Oklahoma Center for Adult Stem Cell Research.



OTRC

In FY2008, the Oklahoma Tobacco Research Center (OTRC), a program of the OU Cancer Institute, was funded at \$5 million over five years. OTRC provides research to identify, evaluate, and disseminate best practices in tobacco control; translating research to practice in Oklahoma. In FY2011, the OTRC awarded seed grants to the following:

- Stephen R. Gillaspy, PhD, Assistant Professor, University of Oklahoma Health Sciences Center, Department of Pediatrics, "Further Development and Testing of an Interactive Computer-Based Program to Facilitate Readiness and Motivation for Smoking Cessation."
- Jay S. Hanas, PhD, Professor, University of Oklahoma Health Sciences Center, Department of Biochemistry and Molecular Biology, "Screening of Smokers for Early Stage Lung Cancer."
- M. Lurdes Queimado, MD, PhD, Assistant Professor, University of Oklahoma Health Sciences Center, Department of Otorhinolaryngology, "Identifying High Susceptibility to Tobacco Carcinogens and Early Biomarkers of Tobacco-Induced Cancer."
- Deirdra R. Terrell, PhD, Assistant Professor of Research, University of Oklahoma Health Sciences Center, Department of Biostatistics and Epidemiology, "Barriers and motivators for smoking cessation in patients with systemic lupus erythematosus (SLE)."

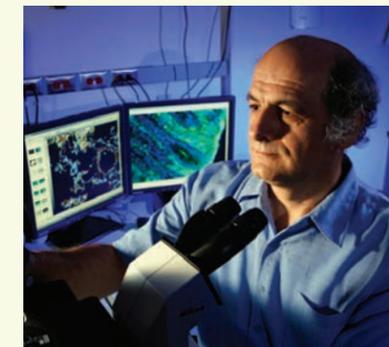
ocascr

In FY2010, the Oklahoma Center for Adult Stem Cell Research (OCASCR) was funded at \$1 million per year for five and one-half years. OCASCR is collaboratively governed by the Oklahoma Medical Research Foundation, University of Oklahoma, and Oklahoma State University. In FY2011, OCASCR awarded grants to the following:

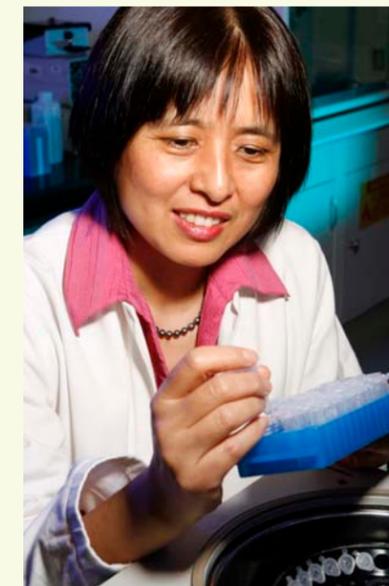
- Myron Hinsdale, PhD, Oklahoma State University - \$72,800 for research into using adult stem cells to heal lung disease.
- Courtney Houchen, MD, University of Oklahoma Health Sciences Center - \$192,215 (two grants) for equipment to test how adult stem cells respond to different drugs and testing compounds.
- Lin Liu, PhD, Oklahoma State University - \$72,800 to test if stem cells can be used to cure chronic obstructive pulmonary disease (COPD).
- Pamela Lloyd, PhD, Oklahoma State University - \$72,800 for research on the repair of damaged lung capillaries which could have implications for treatment of emphysema.
- Leonidas Tsiokas, PhD, University of Oklahoma Health Sciences Center - \$56,654 to research and study into using stem cells to combat osteoporosis and other bone loss diseases.
- Linda Thompson, PhD, Oklahoma Medical Research Foundation - \$123,950 for equipment to increase the ability of researchers to identify and study stem cells.
- Carol Webb, PhD, Oklahoma Medical Research Foundation - \$114,311 to improve a method of generating better

stem cells that may increase the pace of research and accelerate development of therapies.

- \$4,000 in grants for researchers to attend scientific conferences.
- Lin Liu, PhD, Oklahoma State University - \$62,638 equipment grant to allow investigators to monitor animals' response to stem cell therapy for COPD and other breathing conditions. Enhances previously awarded OCASCR grant.
- Florea Lupu, PhD, Oklahoma Medical Research Foundation - \$70,038 for equipment to allow investigators to see how molecules interact on the surface of stem cells.
- Muna Naash, PhD, University of Oklahoma Health Sciences Center - \$112,000 to research and study the role of eye stem cells to improve the structure and function of the retina.
- Xiao-Hong Sun, MD, PhD, Oklahoma Medical Research Foundation - \$112,000 to research and study the role of mesenchymal stem cells in replenishing blood cells.
- Courtney Houchen, MD, University of Oklahoma Health Sciences Center (OUHSC) - \$112,000 to research the potential of pancreatic stem cells being converted to insulin producing cells and to replace damaged pancreatic tissues that causes Diabetes.
- Lijun Xia, MD, PhD, Oklahoma Medical Research Foundation - \$104,800 for research to improve appropriate stem cell movement to replace damaged brain tissues.



Florea Lupu, PhD, Oklahoma Medical Research Foundation received an equipment grant from the Oklahoma Center for Adult Stem Cell Research to enable investigators to see how molecules interact on the surface of stem cells.



Xiao-Hong Sun, PhD, with the Oklahoma Medical Research Foundation, received a grant from the Oklahoma Center for Adult Stem Research to study the role of stem cells in replenishing blood cells.



Travis was into Marion until she flashed her yellow grill.

WARNING: SMOKES WILL STAIN YOUR GRILL AND MAKE YOU LESS DESIRABLE.



Programs We Fund

OKLAHOMA TOBACCO HELPLINE

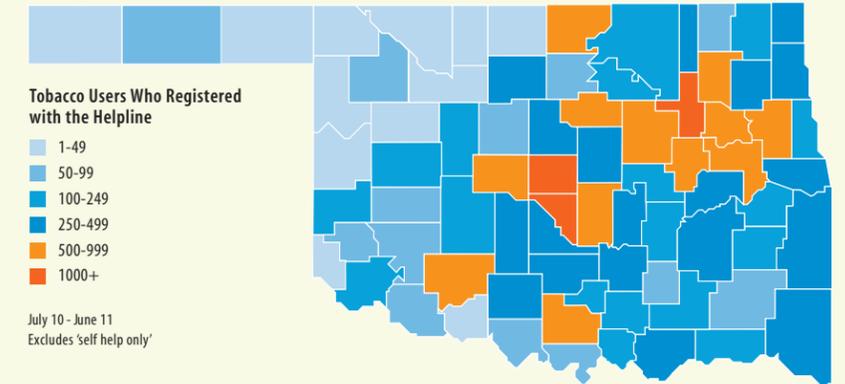
Launched in August 2003, the Oklahoma Tobacco Helpline provides free telephone-based tobacco cessation “coaching” sessions and free nicotine patches or gum. As funds have become available, the budget has increased each year to meet the growing demand. The FY2011 Helpline budget of \$5.3 million utilized a combination of \$3.74 million in TSET funds and \$1.175 million in funds from the Oklahoma State Department of Health and \$83,500 from the Oklahoma State and Education Employees Group Insurance Board.



In FY2011, more than 37,000 Oklahoma tobacco users from across the state registered for services. Follow-up evaluations with multiple-call participants at seven months indicated that nearly 36.3% were abstinent from tobacco. This rate far exceeds the quit rate of 5% for those who go “cold turkey.” Satisfaction with Helpline services remains high across all tobacco users who received either the single or multiple call interventions at 92.9%.

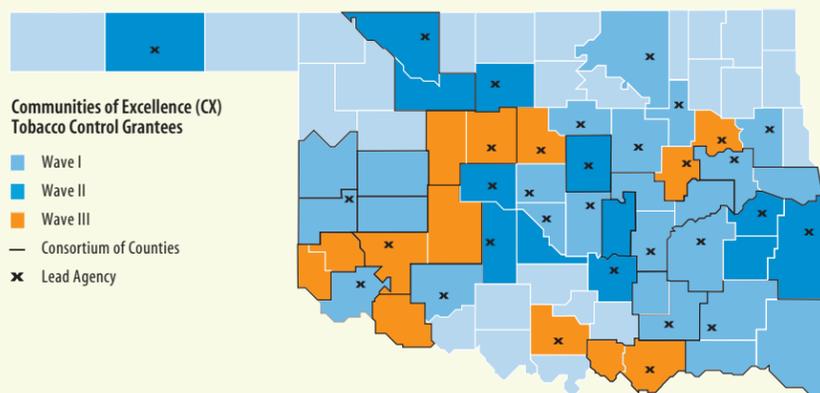


John Hazlitt of Tulsa used the Oklahoma Tobacco Helpline (1-800-QUIT NOW) to successfully quit smoking. He made this decision because of a conversation with his teenage daughter that ended with the promise that if he quit, she would never start.



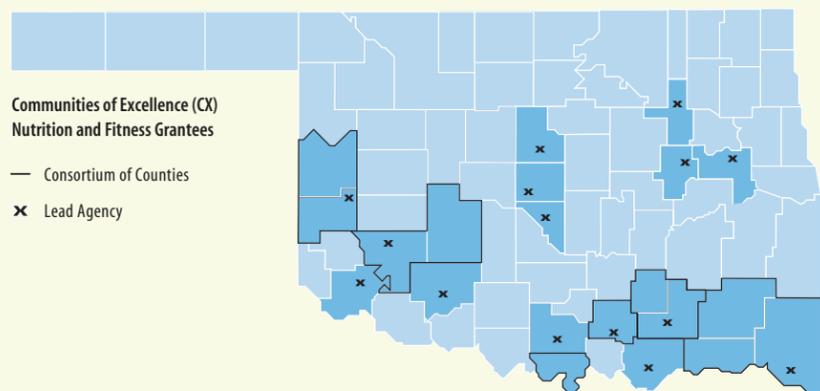
Central Oklahoma Turning Point Coalition promoting the Oklahoma Tobacco Helpline program services which include personalized Quit Coach and free nicotine patches or gum.





COMMUNITIES OF EXCELLENCE IN TOBACCO CONTROL

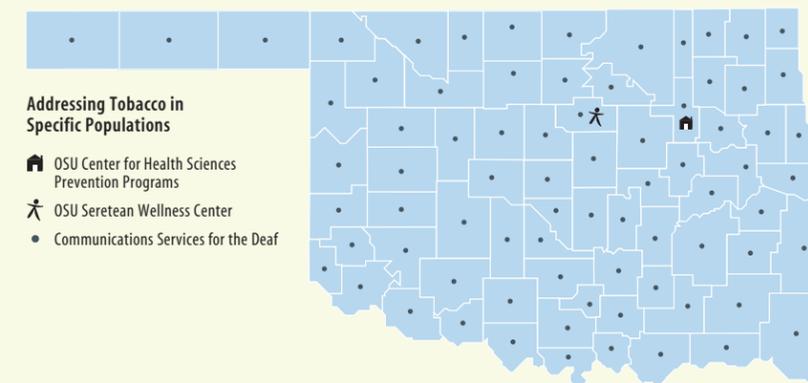
Thirty-four community coalitions have been funded to implement comprehensive programs in 51 counties and two tribal nations, or about 85% of the state's population. Community grantees work with schools, businesses, health care providers, community leaders, and other partners to promote effective policies and programs to reduce tobacco use at the local level. The FY2011 budget was \$5.6 million.



In addition to the tremendous work adult volunteers do in communities across the state, Students Working Against Tobacco (SWAT) youth teams are vital advocates for youth access ordinances and tobacco-free 24/7 school policies as well as exposing big tobacco's marketing practices which attract our youth as "replacement smokers" for those who have quit or died as a result of a tobacco-caused disease.

ADDRESSING TOBACCO IN SPECIFIC POPULATIONS

Three grantees have been funded to serve populations at high risk for tobacco use and tobacco related disease, including college students, the deaf and hard of hearing, and Oklahomans living in low-income housing. The FY2011 budget for these grants is \$300,000.



Future track stars take advantage of OBU's new tobacco-free campus policy during the Shawnee Little Olympics. The policy took in effect August 2010.



McClain County CX Coordinator Mindy Bellack proudly displays her T-shirt at the countywide Kick Butts Day celebration in April 2011.

YOUTH ACCESS TO TOBACCO

The Oklahoma Department of Mental Health and Substance Abuse Services was recently awarded a three-year grant to expand its program with the ABLÉ Commission in which tobacco retailers are checked for compliance with the Youth Access to Tobacco Act. This grant will prepare Oklahoma to receive federal funds from the Food and Drug Administration as the FDA begins its new role of authority over tobacco products. If the rate of compliance among Oklahoma retailers does not remain above 80% the ODMHSAS could lose federal block grant funding. The FY2011 budget is \$288,000.

COMMUNITIES OF EXCELLENCE IN NUTRITION AND FITNESS

In FY11, the TSET Board of Directors awarded nutrition and fitness grants to 15 communities across the state for coalition work to encourage Oklahomans to eat better, move more and be tobacco free. Much of FY11 was spent assessing the strengths and weaknesses of various communities to best target resources to help make the healthy choice the easy choice.



Youth participating in Wellness Adventures.

TOBACCO CESSATION SYSTEMS

The Oklahoma Insurance Department, Oklahoma Hospital Association, Oklahoma Department of Mental Health and Substance Abuse Services, and Oklahoma Health Care Authority have recently been awarded grants to promote insurance coverage of tobacco cessation, establish tobacco cessation systems through hospitals and health systems, integrate tobacco dependence treatment within mental health and substance abuse programs, and within health care settings serving pregnant women, respectively. The FY2011 budget for these grants is approximately \$790,000.



Partners, such as the NBA Oklahoma City Thunder, promote and role model tobacco-free lifestyles to thousands each year.



Make New Year's your time to quit.



Seiglinda Owens, 35 | Smoked 13 years | Smokefree 3 years

**"I had to quit for my kids.
So they could have
a mom around.
If I can do it, you can do it."**

Make New Year's your time to quit. Call 1-800-QUIT NOW or visit OKhelpline.com for free coaching and free patches, gum or lozenges.



PUBLIC EDUCATION HEALTH COMMUNICATIONS

When combined with other programs, mass-media campaigns have proven to be one of the most effective strategies to prevent tobacco use, promote quitting, and reduce exposure to secondhand smoke. For the past three years, the *Tobacco Stops With Me* campaign has highlighted the ways tobacco use and secondhand smoke impact the lives of Oklahomans and what people can do to reduce the burden of tobacco in our state.

To assist Oklahomans in quitting tobacco use, paid media, as well as earned media, promoted the Oklahoma Tobacco Helpline (OTH) throughout the year. A highlighted campaign this year was the SoonerQuit for Women campaign. This campaign was based on a campaign in Massachusetts, which highlighted the availability of its Medicaid benefit for smoking cessation. The Massachusetts campaign resulted in a 50% reduction in smoking among the Massachusetts Medicaid population. Oklahoma's campaign involved a partnership between TSET and the Oklahoma Health Care Authority leveraging 50% of the funding from federal Medicaid dollars. The SoonerQuit for Women campaign focused on women of child-bearing age, including those who were pregnant or had small children, and encouraged them to seek help from their healthcare professional or through the Oklahoma Tobacco Helpline. The campaign highlighted Oklahoma women's stories who had quit smoking and their reasons for quitting.

In FY2011, TSET also partnered with the Oklahoma State Department of Health, businesses and nonprofit organizations to raise awareness about Oklahoma's health issues. The interest of Oklahomans was piqued with the 5320 teaser campaign. This number represented the lives that could be saved from premature deaths if Oklahoma just met the national average health indicators in the United States. The teaser campaign launched the Shape Your Future public awareness campaign which will continue to focus on helping all Oklahomans eat better, move more and be tobacco free. All three campaigns have components designed to support grantees in their communities, focus areas and statewide media messaging. The total FY2011 budget is \$4.99 million.

CONFERENCE SPONSORSHIPS

Conference sponsorships are available for statewide training events to educate and build capacity among Oklahomans for the purpose of improving the health of every Oklahoman. The FY2011 budget was \$29,000.

UNSOLICITED PROPOSALS

To address emerging opportunities to promote health in Oklahoma, TSET has initiated a process for accepting unsolicited proposals related to any of the purposes identified in the Constitutional amendment. Applicants must have direct third party funding for at least 50% of the proposed project. The FY2011 budget for unsolicited proposals is \$250,000.

In 2009, the Indian Health Care Resource Center was awarded multi-year grant funding through the unsolicited proposals process to address tobacco, fitness, and nutrition. The program utilizes the Coordinated Approach to Child Health (CATCH) program, community gardens, and similar approaches in twelve schools in Tulsa County.

TOBACCO CONTROL TECHNICAL ASSISTANCE AND TRAINING

To leverage federal and state resources, avoid duplication, and promote progress toward objectives, TSET has partnered with the Oklahoma State Department of Health, Tobacco Use Prevention Service, to provide coordination, training and technical assistance for tobacco control grantees. The FY2011 budget for this "State Program Office" is \$525,000.

TOBACCO CONTROL EVALUATION

A rigorous external evaluation of all TSET-funded tobacco control programs is conducted by the University of Oklahoma College of Public Health, Department of Biostatistics and Epidemiology. The FY2011 budget for evaluation is \$791,000.

A plaque highlights the tobacco free policy at Oneok Field, home to the Tulsa Drillers. The new facility, completed in spring 2010, is smokefree.



The scoreboard at the Tulsa Drillers' game highlights a Tobacco Stops With Me ad at the smokefree Oneok field.



Smokeless tobacco is not a safe alternative to cigarettes.



It causes cancer, gum disease, and death.

SAVE FACE.

Quit for good during Through With Chew Week and the Great American Spit Out.

Great American Spit Out
February 24, 2011

Through With Chew Week
February 20-26, 2011

**TOBACCO
STOPS WITH ME.**
StopsWithMe.com

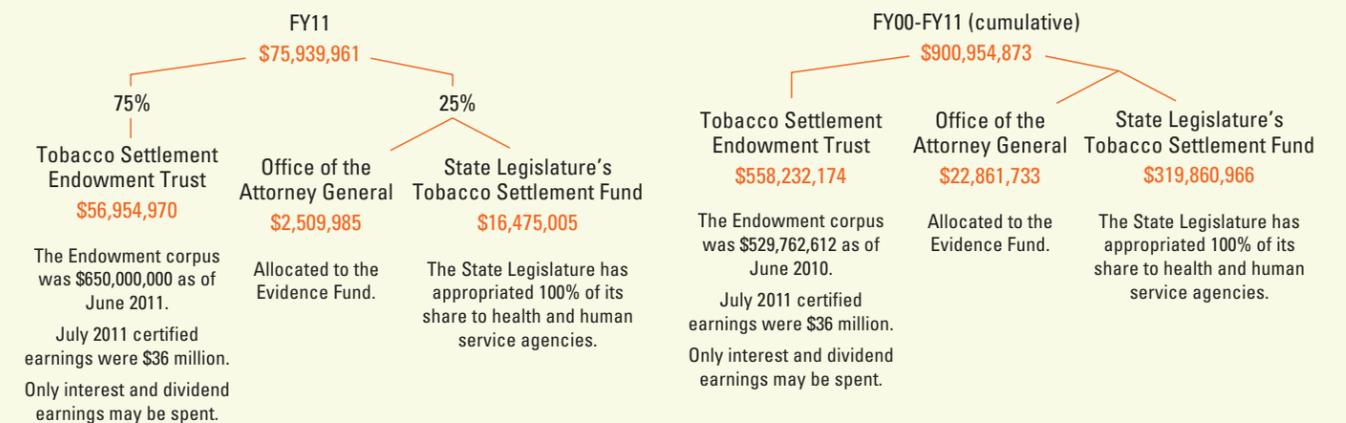
Oklahoma Tobacco Helpline
1 800 QUIT NOW
Free help 784-8669

Trust Growth

Payments from the Master Settlement Agreement (MSA) to the State of Oklahoma began in FY2000. Tobacco settlement payments to the state are divided between the Endowment, the State Legislature, and the Office of the Attorney General. TSET's share of the MSA payments has increased from 50% in FY2002 to 75% in FY2007. From FY2007 forward, TSET's share of the MSA payments will remain at 75%.

As tobacco use declines nationally, MSA payments to all states will be reduced. If Oklahoma does not keep pace with the rest of the nation in reducing tobacco use, the state will bear the burden of high health care costs due to tobacco-caused diseases as well as the declining settlement payments.

TOBACCO INDUSTRY PAYMENTS TO THE STATE OF OKLAHOMA



APPROPRIATIONS FROM THE STATE LEGISLATURE

	FY01-03	FY04-06	FY07-09	FY10	FY11	Totals	Percent
Health Care Authority Duties of the agency	\$61,077,028	\$25,410,581	\$36,782,239	\$24,150,000	\$18,150,000	\$165,569,848	60.06%
Department of Human Services Prater Willie, Child Welfare, Senior Nutrition, Oklahoma Healthcare Initiatives, duties of the agency	\$44,208,504	\$33,261,116	\$13,084,284	\$0	\$0	\$90,553,904	32.4%
University Hospitals Authority Duties of the agency	\$10,100,153	\$0	\$0	\$0	\$0	\$10,100,153	3.66%
Department of Health Tobacco prevention, health	\$5,525,266	\$0	\$0	\$0	\$0	\$5,525,266	2%
Department of Mental Health and Substance Abuse Services Duties of the agency	\$3,672,001	\$0	\$0	\$0	\$0	\$3,672,001	1.33%
Department of Veterans Affairs Duties of the agency	\$275,000	\$0	\$0	\$0	\$0	\$275,000	0.1%
Totals	\$124,857,952	\$58,671,697	\$49,866,523	\$24,150,000	\$257,546,172	\$275,696,172	100%

Don't let tobacco send you to the pits.
Smokeless tobacco causes lip and throat cancer.

Dip or chew? Doesn't matter. Cancer is the red flag that can wipe that smile right off your face. Shift gears and keep your eye on victory lane by quitting. Call the professional crew at the Oklahoma Tobacco Helpline for free quit coaching, and free patches, gum or lozenges.

Black flag tobacco for good.
 Call 1-800-QUIT NOW or visit OKhelpline.com

Oklahoma Tobacco Helpline
1 800 QUIT NOW
 Free help 784-8669 OKhelpline.com

Quit for good during Through With Chew Week - February 19-25, 2012

Our Boards

BOARD OF DIRECTORS

The seven-member board of directors is responsible for directing the earnings from the Endowment trust to fund programs to improve the health and well-being of all Oklahomans.

Initial appointed members served staggered terms of office, and subsequent appointed members serve seven-year terms. As specified in the Constitution, at least one appointee must be appointed from each Congressional district, and not more than two appointees may be appointed from any single Congressional district.

In addition, not more than four appointees may be from any one political party. All appointees must have demonstrated expertise in public or private health care or programs related to or for the benefit of children or senior adults.

Full biographies of board members can be found at www.tset.ok.gov.



Casey Killblane
 Appointed by the State Superintendent of Public Instruction
 Chair



Kenneth D. Rowe
 Appointed by the Senate President Pro Tempore
 Vice Chair



Susan Walters Bizé
 Appointed by the State Auditor & Inspector



W. R. "Bill" Lissau
 Appointed by the State Treasurer



George E. Foster, OD
 Appointed by the Speaker of the House



Lisa Nowlin
 Appointed by the Governor



John Kennedy
 Appointed by the Attorney General

BOARD OF INVESTORS

The five-member board of investors is responsible for safely and effectively investing the money entrusted to the trust fund to ensure a steady and growing flow of earnings to fund the programs initiated by the board of directors.

Initial appointed members served staggered terms of office, and subsequent appointed members serve four-year terms.

As specified in the Constitution, no more than two appointees may be appointed from any single Congressional district. All appointees must have demonstrated expertise in public or private investment funds management. The constitutional amendment approved by Oklahoma voters establishes the State Treasurer as the chair of the board of investors.

Full biographies of board members can be found at www.tset.ok.gov.



Ken Miller,
 State Treasurer and Chair



R. Scott Vaughn, CPA,
 Vice Chair
 Appointed by the Speaker of the House



David Hinkle
 Appointed by the State Auditor & Inspector



Donald Pape
 Appointed by the Senate President Pro Tempore



Mike Mayhall, CPA
 Appointed by the Governor



Unhealthy Birth Weight

When cigarettes call your name, they call your baby's name too.

Quitting now can make a difference for life. To quit smoking today, talk to your doctor and call the Oklahoma Tobacco Helpline for the free pregnancy program. Call 1-800-784-8669 today.



Grants

FY11 FUNDING

Communities of Excellence - Wave 1 Round 2 FY11 Award

\$140,000
Atoka County Health Department (Atoka) Coalition: Atoka/Coal Partnership for Change; serving Atoka and Coal Counties.

\$173,412
Kids Connection (Tahlequah) - Coalition: Community Health Coalition of Cherokee County; serving Cherokee County.

\$168,650
City of Elk City (Elk City) - Coalition: Western Oklahoma Coalition for Community Strengthening; serving Beckham, Roger Mills, Washita, and Custer counties.

\$185,895
Comanche County Memorial Hospital (Lawton) - Coalition: Southwest Tobacco Free Oklahoma Coalition; serving Comanche County.

\$195,000
Community Children's Shelter & Family Service Center, Inc (Ardmore) - Coalition: Carter County Turning Point; serving Carter County.

\$205,000
Gateway to Prevention and Recovery (Shawnee) - Coalition: Shawnee Asset Building Alliance, Pottawatomie Alliance Toward Community Health; serving Pottawatomie County.

\$188,000
Gateway to Prevention and Recovery (Wetumka) - Coalition: Tri-County Tobacco Prevention; serving Hughes, McIntosh, and Okfuskee counties.

\$324,000
Muskogee County Health Department (Muskogee) - Coalition: Muskogee Turning Point and Sequoyah Turning Point; serving Muskogee and Sequoyah counties.

\$340,000
Norman Regional Health Systems (Norman) - Coalition: Cleveland County Turning Point; serving Cleveland County.

\$341,705
Oklahoma City-County Health Department (Oklahoma City) - Coalition: Central Oklahoma Turning Point Oklahoma County Tobacco Use Prevention Coalition; serving Oklahoma County.

\$184,854
Osage Nation (Pawhuska) - Coalition: Osage Nation / Osage County Community Partnership Board; Serving Osage County and Osage Tribe of Indians.

\$202,800
OSU Seretean Wellness Center (Stillwater) - Coalition: Payne County Breathe Easy Coalition; serving Payne County.

\$180,000
Pittsburg County Health Department (McAlester) - Coalition: SouthEast Tobacco-Free Oklahoma Coalition; serving Pittsburg County.

\$220,000
Pushmataha County Health Department (Antlers) - Coalition: Project S.P.I.T. Consortium of Pushmataha County Turning Point Coalition and Choctaw County Coalition for Change; serving Pushmataha, Choctaw, and McCurtain counties.

\$152,000
Jackson County Health Department (Altus) - Coalition: Jackson County Community Health Action Team; serving Jackson County.

\$325,000
Tulsa County Health Department (Tulsa) Coalition: Tulsa Tobacco Free Coalition; serving Tulsa County.

\$190,000
OSU Seretean Wellness Center (Supulpa) Coalition: Child Abuse Prevention Task Force District XI, Creek County Chapter; serving Creek County.

Communities of Excellence - Wave 2 FY11 Award

\$185,000
Bryan County Health Department (Durant) Coalition: U Turn Consortium; serving Bryan and Marshal counties.

\$175,000
Great Plains Youth and Family Services (Hobart) - Coalition: Caddo Kiowa Consortium; serving Caddo and Kiowa counties.

\$154,000
Kingfisher County Health Department (Kingfisher) - Coalition: Blaine-Kingfisher Tobacco Education Consortium; serving Blaine and Kingfisher counties.

\$172,685
Langston University (Guthrie) - Coalition: Logan County Sooner SUCCESS Networking Group; serving Logan County.

\$135,000
Southwest Oklahoma Community Action Group, Inc. (Altus) - Coalition: Red River Tobacco Education Consortium; serving Greer, Harmon and Tillman counties.

\$180,000
OSU Seretean Wellness Center (Morris) Coalition: Okmulgee County Wellness Coalition; serving Okmulgee County.

\$170,091
Wagoner County Health Department (Wagoner) - Coalition: Wagoner County Family Resource Council; serving Wagoner County.

**Communities of Excellence - Wave 3
FY11 Award**

\$75,000

Gateway to Prevention and Recovery
Coalition: Prague Turning Point Coalition;
serving Lincoln and Seminole counties.

\$75,000

KI Bois Community Action Foundation
Coalition: Haskell County Coalition and
Living in Latimer Coalition; serving
Haskell and Latimer counties.

\$75,000

Norman Regional Health Systems
Coalition: Interagency and Community
Coalition of Grady County; serving Grady
County.

\$75,000

Norman Regional Health Systems
Coalition: Community Alliance of
Resources for Everyone; serving McClain
County.

\$75,000

Canadian County Health Department
Coalition: Canadian County for Children
and Families; serving Canadian County.

\$75,000

Rural Health Projects Inc. - Coalition:
Enid Metropolitan Health Planning
Committee, Garfield County Tobacco
Free Coalition; serving Garfield County.

\$75,000

Pontotoc County Health Department
Coalition: Pontotoc County Turning
Point/Systems of Care Coalition; serving
Pontotoc County.

\$75,000

LeFlore County Youth Services, Inc.
Coalition: LeFlore County Coalition for
Healthy Living; serving LeFlore County.

\$75,000

The Next Step Network Inc. - Coalition:
Texas County Coalition; serving Texas
County.

\$75,000

Northwest Family Services Inc.
Coalition: Woods County and Major
County Coalitions; serving Wood and
Major counties.

**Communities of Excellence - Nutrition
and Fitness, Wave 1
FY11 Award**

\$90,000

Bryan County Health Department
(Durant) - Coalition: Bryan County
Turning Point

\$90,000

Carter County Health Department
(Ardmore) - Coalition: Carter County
Turning Point.

\$90,000

City of Elk City Youth and Family
Programs - Coalition: Oklahoma Unified
Resources (OUR) Turning Point Coalition.

\$90,000

Comanche County Health Department
(Lawton) - Coalition: Fit Kids of Southwest
Oklahoma.

\$90,000

Great Plains Youth and Family Services
(Hobart) - Coalition: Kiowa Coalition &
Caddo County Interagency Coalition.

\$90,000

INCA Community Services, Inc. (Atoka)
Coalition: Atoka/Coal Partnership for
Change.

\$90,000

Jackson County Health Department
(Altus) - Coalition: Jackson County
Community Health Action Team.

\$90,000

Johnston County Health Department
(Tishomingo) - Coalition: Fit Communities,
Love and Johnston Consortium.

\$90,000

Logan County Health Department
(Guthrie) - Coalition: Logan County
Partnership.

\$90,000

McCurtain County Health Department
(Idabel) - Coalition: Tri-County
Consortium.

\$90,000

Muskogee County Health Department
(Muskogee) - Coalition: Muskogee
County Turning Point.

\$90,000

Norman Regional Health Systems Inc.
Coalition: Cleveland County Turning
Point.

\$90,000

Oklahoma City-County Health
Department - Coalition: Wellness Now
Coalition.

\$90,000

Okmulgee County Health Department
(Okmulgee) - Coalition: Okmulgee County
Wellness Coalition.

\$90,000

Tulsa County Health Department (Tulsa)
Coalition: Family Health Coalition.

**Addressing Tobacco in Specific
Populations
FY11 Award**

\$100,000

Communication Services for the
Deaf, Inc (Tulsa) - Serving the deaf and
hard of hearing, statewide.

\$100,000

Oklahoma State University, Center for
Health Sciences Prevention Programs
(Tulsa) - Serving the low socioeconomic
status population in Tulsa, Creek, and
Payne counties.

\$100,000

OSU Seretean Wellness Center
(Stillwater) - Serving the university
student population in Stillwater and its
branch campuses.

**Cessation Systems Initiatives
FY11 Award**

\$190,000

Oklahoma Hospital Association

\$125,000

Oklahoma Insurance Department

\$234,000

Oklahoma Department of Mental Health
and Substance Abuse Services

\$234,600

Oklahoma Health Care Authority

FY11 Award

\$235,500

Oklahoma Health Care Authority

**Preventing Youth Access to Tobacco
FY11 Award**

\$288,000

Department of Mental Health and
Substance Abuse contracting with the
ABLE Commission - Intended to provide
short-term funding in anticipation of
availability of federal dollars.

**Unsolicited Proposal: Nutrition & Fitness
FY11 Award**

\$341,849

Indian Health Care Resources Center
Serving twelve schools in Tulsa County.

Public Education Health Communications

\$4,950,000

Visual Image (Oklahoma City) - TSET,
in partnership with the Oklahoma State
Department of Health Tobacco Use
Prevention Service, coordinates public
education health communications
campaigns to achieve the goals of the
Oklahoma Tobacco Control Program.

Oklahoma Tobacco Helpline Program

\$5,000,000

Alere Wellbeing (Seattle, WA) - Provides
a telephone-based tobacco cessation
service at no-charge to all Oklahomans
who are ready to quit tobacco use. Also
provides consultation to Oklahoma health
care professionals regarding effective
tobacco dependence treatment. *The
Helpline's budget is a combination of
\$3,850,000 in TSET funds and \$1,150,000
in funds from the Oklahoma State
Department of Health and Centers for
Disease Control and Prevention.

Program Evaluation

\$741,000

Board of Regents of the University of
Oklahoma, Health Sciences Center
(Oklahoma City) - Evaluates the effective-
ness of the Oklahoma Tobacco Helpline,
Community-based Tobacco Control grants,
and Public Health Communication
Interventions.

**Program Support, Training & Technical
Assistance**

\$475,000

Oklahoma State Department of Health
(Oklahoma City) - Provides technical
assistance and training to TSET-funded
grantees related to tobacco control.
OSDH facilitates grantee progress toward
outcomes and leverages additional
services which are provided in-kind by
staff funded by the CDC.

Research

FY11 Award

\$1,148,598

Oklahoma Tobacco Research Center
(OTRC) - The OTRC was established
within the OU Cancer Institute, with the
purpose of extending the impact of TSET's
tobacco control initiatives and leveraging
TSET's investments to bring additional
funding dollars from the NCI, CDC, and
other sources to bear on tobacco use in
Oklahoma. OTRC provides research to
identify, evaluate, and disseminate best
practices in tobacco control; translating
research to practice for tobacco control
projects in Oklahoma. Serves as a
statewide collaborative, providing seed
grants and bringing together researchers
from a variety of disciplines and from
various institutions throughout the state.

FY11 Award

\$1,326,021

Oklahoma Center for Adult Stem Cell
Research (OCASCR) - The OCASCR
promotes research in the emerging
field of adult stem cell research by
awarding research grants to scientists
in Oklahoma, recruiting scientist to the
state and conducting public education.
OCASCR's goal is to build Oklahoma
excellence in one of the fastest growing
areas of medical research and serve as
a trusted resource for public information.
OCASCR is collaboratively governed
by the Oklahoma Medical Research
Foundation, University of Oklahoma, and
Oklahoma State University.

Sponsorships

\$5,000

Biotechnology Industry Organization
(BIO) International Convention –
Oklahoma City Chamber of Commerce/
Oklahoma Pavilion.

\$5,000

Board of Regents of the University
of Oklahoma on behalf of the Center
on Child Abuse and Neglect in the
Department of Pediatrics – Oklahoma
Child Abuse and Neglect and Healthy
Families Conference.

\$2,500

Oklahoma Institute of Child Advocacy
Annual Fall Legislative Forum for
Children and Youth.

\$2,300

Oklahoma Nurses Association/Oklahoma
Nurses Foundation's Annual Convention.

\$5,000

Oklahoma Public Health Association
Annual Conference.

\$1,000

Oklahoma Turning Point Annual Policy
Day.

\$5,000

Oklahoma Turning Point and Oklahoma
Fit Kids Coalition Conference.

\$3,200

Rural Health Association of Oklahoma
Annual Conference.



Staff

As we hope this annual report conveys, we at the Oklahoma Tobacco Settlement Endowment Trust are committed to a healthier Oklahoma. We are also committed to identifying the best opportunities to fulfill our mission through partnerships that support our grantmaking values and behaviors.

A meaningful exchange of information is often the first step toward real change, so we invite your inquiries, questions, and suggestions at any time.

We look forward to working with our current and future partners in preventing and reducing tobacco use and addiction, promoting fitness

and nutrition, advancing cutting-edge research, and addressing emerging opportunities that will promote a healthy and prosperous Oklahoma.

FRONT ROW, LEFT TO RIGHT

Sjonna Paulson, APR, Director of Communications

Tracey Strader, MSW, Executive Director

Dorothy Antwine, Office Manager

BACK ROW, LEFT TO RIGHT

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Jonás Osio Mata, MSW, Director of Grants & Programs

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