

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

August 27, 2020

10 a.m.

University Research Park
PHF Conference Center, Kiva Conference Room
655 Research Parkway
Oklahoma City, OK 73104

In addition to the physical location noted above, this meeting was also be held via Zoom videoconference with a livestream option for enhanced public accessibility in compliance with the Open Meeting Act as amended by SB 661.

AGENDA

1. Open Meeting Act Announcement and Call to Order

The TSET Board of Directors Chair Bruce Benjamin called the meeting to order at 10:01 a.m. and announced that all requirements of the Open Meeting Act had been met.

Benjamin stated that in addition to the physical meeting location at the PHF Conference Center, the meeting was also being conducted via videoconference with a livestream option for members of the public and welcomed attendees joining by Zoom and YouTube.

He stated that public comment would take place following board business and provided instruction for members of the public joining the virtual meeting to comment. Board member Bruce Benjamin was present at the physical meeting location. Members of the board present via videoconference were Jack Allen, Casey Killblane, Susanna Gattoni, Ken Rowe, Marshall Snipes and Michelle Stephens, and there was a quorum.

TSET staff present were Julie Bisbee, Thomas Larson, and Melanie Sommers who served as recording secretary.

Assistant Attorney General Marie Schuble, General Counsel for the board, was present.

2. Approval of Minutes of the May 19, 2020, Regular Board Meeting

Allen moved board approval of the May 19 minutes as presented. Killblane provided a second.

Motion carried

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

3. **Chair’s Report**

Benjamin introduced the new TSET Board of Directors member, Susanna Gattoni. Susanna was appointed by the State Auditor and Inspector Cindy Byrd and represents Congressional District 5. Gattoni is the associate general counsel for the University of Oklahoma.

4. **Executive Director’s Report**

Bisbee shared that the language for SQ 814 has been finalized and the election for SQ 814 is in November. SQ 814 seeks to reduce the annual allocation for the TSET endowment from 75% to 25%. The money will go to legislature to fund Medicaid.

Bisbee updated the board that the Legislative Office of Fiscal Transparency (LOFT) has met and legislative committee that oversees the new agency approved the groups work plan. An evaluation of TSET’s tobacco cessation expenditures, programs, and programs outcomes were identified as a top priority of the legislative committee that oversees LOFT’s work.

Bisbee states that TSET has successfully closed out the fiscal year. TSET has started a new wave of the Healthy Living Program 5-year program. New grantee training and orientation had been successfully moved from in-person to online training. Bisbee notes that next quarter the executive team will be preparing the agency budget request. It is important to note that TSET does not request money from legislature, but provides information annually for the state budget system that is accessed by staff and lawmakers.

4. **Programs Committee Report – *Bruce Benjamin***

a. **Discussion and possible action on funding TSET Food Systems Impact Grants**

Benjamin stated that Board of Directors authorized a funding solicitation that would identify immediate needs in supporting efforts to improve access to healthy and nutritious foods. TSET received 20 proposals that were responsive to the terms of the RFP and eligible for review. The proposals were vetted by a panel of 16 external reviewers from across the country. Benjamin stated that at the conclusion of the reviewer’s discussions, the Programs Committee reviewed all scores and project summaries, gave preference to the proposals that most closely aligned with the strategic goals of the agency, recommended seven proposals for funding at a total of \$1 million. Each award will result in a 12-month agreement between TSET and the applicant organization. Snipes asked for clarification on how the grants would be funded. Bisbee stated that funding was captured from FY20 lapse to launch this one-year program.

Applicant Organization	Project Title	Recommended Amount
Boys and Girls Club of Ottawa County	Reaching More Ottawa County Youth in Need	\$36,072
Gateway to Prevention and Recovery	Food System Impact in Pottawatomie, Seminole and Hughes Counties	\$250,000
Harper County Development Authority	Laverne Food Security Cooperative	\$40,395

Hunger Free Oklahoma	Double Up Oklahoma Grocery Store Expansion	\$408,505
Regional Food Bank of Oklahoma	Senior Servings Program North East Oklahoma City, Yukon, Frederick and Moore	\$96,544
RSVP Enid	Enid Mobile Meals and Food Distribution Systems serving Woodward, Major, Alfalfa, Grant, Kay, Noble, Garfield and Kingfisher counties	\$117,634
Urban Strategies, Inc.	River West Healthy & Sustainable Food System Project – Tulsa	\$50,850

The Programs Committee recommends the slate of applicants for funding. No second required. Motion carried.

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

b. Discussion and possible action on FY21 Incentive Grant Criteria

Both the Schools and Communities incentive grant programs have been redesigned to support stronger policies and practices in schools and communities as well closely align with HLP activities. Director of Programs Jonás Mata provided an overview stating that there would be two application periods and policies closely align with goals of the TSET Healthy Living Program. Both programs carry an evaluation component regarding the impact to the communities and schools. This year, TSET has added a crisis management component for COVID-19 related emergencies as well as other kinds of emergencies. Once applicants have met policy criteria they are eligible to apply for grants.

Programs Committee recommended board approval of the criteria for TSET Healthy Incentive Grants. No second required. Motion carried.

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

c. Discussion and possible action on Free The Night

The Free the Night (FTN) is a statewide campaign that encourages bars and clubs to voluntarily adopt smoke free policies. With the bar and club closures in Oklahoma due to the COVID pandemic, FTN revamped their FY20 4th quarter strategies (May, June and July) to focus on providing information to bar and club owners about financial support, resources, and social distance measures in the event of reopening. Benjamin said the program committee recommends that the Board consider the termination of the FTN program given that COVID-19 appears to be a long-term factor that will continue to limit the program. All TSET contracts have a 30-termination clause. The program committee recommended that FTN have 90-days to wind down its program.

Programs Committee recommended the board moves to end the contract with Free the Night within 90 days. No second required. Motion carried.

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

d. Overview of new TSET Healthy Living Program service area and activities

Jessica Davis, Senior Program Officer provided a presentation on the enhancements made to the TSET Healthy Living Program, second wave. Davis presented information made available to grantees to include zip code level data (where available) on health or other indicators. Casey Killblane asks how many previous HLP grantees out of 35 were successful in their application for the second wave of HLP. Davis stated that 33 were return grantees. Marshall Snipes inquires where hyperlocal data comes from. Davis explained that TSET is partners with the Center for Chronic Disease and Health Prevention at the State Department of Health and that group assists with data, surveillance and technical assistance.

e. Health Systems Impact Grant Program Summary

Heather Ross, Senior Evaluation Coordinator, Hudson College of Public Health, presented the accomplishments of the three agencies funded through the Health Systems Initiative, the Oklahoma Department of Mental Health and Substance Abuse Services, the Oklahoma Hospital Association and the Oklahoma Health Care Authority. The total budget for HSI is \$1.8 million and that is 4% of TSET's total program budget. Highlights for the grant with the Department of Mental Health and Substance Abuse Services include all contracted provided and certified providers have tobacco-free campus policies in place. Wellness policies have been passed by 30 organizations operating in 57 facilities impacting 94,500 consumers annually. DMHSAS has about 850 referrals to the Oklahoma Tobacco Helpline monthly. Since FY16, DMHSAS the grant with TSET has yielded 47,500 referrals to the Oklahoma Tobacco Helpline and provided nicotine replacement therapy for 4,400 consumers. Top accomplishments for the grant with the Oklahoma Hospital Association include working with 65 hospitals to implement comprehensive tobacco cessation systems. These hospitals cared for more than 266,500 patients in 2018. Through the grant, 96 hospitals have policies that regulate tobacco use on campuses. Through the TSET funded program at OHA, Hospitals Helping Patients Quit have generated a total of 32,623 referrals. Through the TSET funded Work Healthy Hospitals at TSET, 33 hospitals have adopted the wellness initiative impacting 27,000 employees. Ross also updated the board on major accomplishments of TSET's grant with the Oklahoma Health Care Authority. Through the partnership, OHCA has removed barriers to cessation for SoonerCare population, including removing all co-pays for tobacco cessation pharmacotherapy, removing prior authorization requirements, allowing licenses clinical social workers with certified tobacco specialists training to bill for tobacco cessation services. These benefits have impacted 86,700 tobacco users enrolled with SoonerCare annually. TSET's grant with the Oklahoma Health Care Authority has also helped to increase referrals to the Oklahoma Tobacco Helpline and increased tobacco cessation counseling services and executed provider training. All these programs combined with the Oklahoma Tobacco Helpline have helped to save lives and dollars, evaluation results showed.

f. Public Information and Outreach Committee Report – Casey Killblane

a. Discussion and possible adoption of policy resolutions

i. Tobacco use prevention and reduction

Killblane recognized Director of Public Information Thomas Larson to read the board resolution that highlights policies that Oklahoma lacks to protect citizens from tobacco use and second-hand smoke. The resolutions, provided in the packet, will also be posted on the website, Larson said.

Killblane responds that they are going for a motion because they didn't get to review the entire resolution in the committee meeting.

Killblane provided a motion and Allen provided a second to adopt the resolution. Motion carried.
Aye: Benjamin, Stephens, Allen, Killblane, Gattoni, Rowe, Snipes

ii. Obesity prevention and reduction

Killblane recognized Director of Public Information Thomas Larson to read the board resolution that highlights policies to prevent and reduce obesity. The resolutions, provided in the packet, will also be posted on the website, Larson said. Killblane responds that a second is needed.

Allen provides the motion and Killblane provides a second. Motion carried.

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

b. Overview of the TSET Healthy Youth Initiative, Jeff Jordan, Rescue

Jeff Jordan, CEO of Rescue, provided overview of the recently launched TSET Healthy Youth Initiative. This board, in May, awarded a media contract to Rescue and the first ads in this campaign are already rolling out. Allen inquires about other organizations providing non-vaping campaigns, Jeff Jordan responds that the organizations could be Real Cost or Truth campaigns and that vaping rates are still going up. Killblane asks Jeff Jordan to elaborate on vaping rates, Jeff Jordan says the national rate is 30%, and over 50% of teens have tried vaping.

c. Health communication update

Killblane directs board members to their packet for an overview of TSET's public education campaigns. *Tobacco Stops With Me, Shape Your Future, Oklahoma Tobacco Helpline, My Life My Quit and the new phase 1 TSET Healthy Youth Initiative statewide messaging are performing to FY21 plans.* As a reminder, Shape Your Future will be expanding messaging to include getting adequate sleep, reducing screen time to our messages of getting physical activity, eating healthy and reducing sugar sweetened beverage consumption. Research has shown that inadequate amounts of sleep contribute to obesity risk, among other things. Evaluation of the health communication brands are ongoing with presentations scheduled in upcoming Board meetings as usual. The Shape Your Future evaluation is currently in the field as the baseline for the TSET Healthy Youth Initiative.

Health communication recently received awards from the Society of Professional Journalism Oklahoma Chapter with a first place for the Tobacco Stops With Me blog, and second place awards for the Shape Your Future newsletter and the Tobacco Stops With Me Ronnie Trentham story. A research paper was published in June in the peer reviewed BMC Nutritional Journal, Factors Associated with Sugar Sweetened Beverage Consumption in Adults with Children in the Home after a Statewide Health Communication Campaign. Two presentations were acceptance

to the CDC National Virtual Conference of Health Communication, Marketing and Media in October 6.

The Public Health Academy of Oklahoma OK In The Know peer learning platform transitioned to the new learning management center without a hitch and launched with the new TSET Healthy Living Program grantee cohort.

d. Outreach activities update

Larson provided an update on TSET Outreach efforts. Since May 2020, TSET has distributed press releases announcing new TSET programs, new grant opportunities, grantee awards, COVID-19 resources and more. Those articles lead to at least **103 stories** in different media outlets including KFOR-TV, the Enid News and Eagle, Muskogee Daily Phoenix, Ponca City News, Stillwater NewsPress, The Oklahoman and more.

TSET has developed a video outreach plan to educate Oklahomans on the agency's programs and services through short, engaging videos. The videos will be published on TSET's YouTube channel and shared with advocate groups, grantees and partners.

e. Sponsorship and training grants

Larson updated the board that \$3,250 in sponsorship grants have been awarded. A full list of organizations that have received sponsorship grants is provided in the packet.

f. Upcoming events

Upcoming Events include the Healthy Living Program 2.0 Grantee Orientation on Sept. 2, the 2020 Oklahoma Senior Games, Sept. 5-Nov. 7, and Oklahoma Public Health Association Annual Conference, Sept. 22-23.

7. Agency Operations Committee Report – *Marshall Snipes*

a. Update from the TSET Board of Investors

i. Update on preliminary certification of endowment earnings for FY2020

Snipes updated the Board of Directors that the Board of Investors met earlier this month and approved a preliminary certification of earnings for the endowment performance in FY2020. The board certified \$40.9 million for use by the Board of Directors in FY21 and beyond. This preliminary certification is about \$19 million less than what was certified from fund performance in FY19. It's important to note the TSET Board of Directors using a three average of earnings to determine budget target. As we saw earnings estimates coming in lower last fiscal year, TSET adjusted its budget target and trimmed budgets for FY21.

b. Expenditure reports

i. FY 2020 Budget to Actual – Operating

Snipes referred to financial reports saying the operating budget is at 90% spend rate for FY20. A few invoices remain out and it is expected that the agency will close out the fiscal year hitting its 95% spend rate on administrative costs.

ii. FY 2020 Budget to Actual – Programs

Snipes referred to financial documents in the packet to show that program expenditures were at 90% spend rate and the agency was expected to end FY20 hitting its 95% spend rate.

c. FY 2020 Balance Sheet

Snipes directed board members to review the balance sheet in their packet.

Snipes said this report was generated at the request of the operations committee to show all assets, liabilities and provide a holistic financial picture.

d. FY2021 Budget reports

Board members were directed to review reports for FY21 which began July 1.

i. FY 2021 Budget to Actual – Operating

ii. FY 2021 Budget to Actual -- Programs

e. Analysis of 3-year-rolling average

Board members were updated on the three-year rolling average policy and how FY20 fund earnings impacted the average. Preliminary certified earnings are roughly \$40,985,740 and TSET's FY21 budget is \$46,020,808. If all budgeted dollars are expended in FY21, the \$2.258 million held in reserve by the Board of Investors will be spent and an additional \$2.7 of previously certified earnings will be used by the Board of Directors, leaving approx. \$64.9 million in reserves after all FY21 expenditures are made.

f. Current commitments

Snipes referred board members to a document in the board packet that lists all current grants and anticipated expenditures for multiple years.

5. Public Comment – Limited to items on the agenda.

Benjamin asked for public comment on items on the agenda. No public comments were made.

6. 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 discussed.

7. Adjourn

Killblane provided a motion to adjourn. Allen provided a second. Motion carried.

Aye: Benjamin, Stephens, Allen, Killblane, Knoles, Rowe, Snipes

The meeting was adjourned at 12:15 p.m.