

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

March 12, 2020

Department of Agriculture
2800 N. Lincoln Blvd., Conference Room 301
Oklahoma City, Oklahoma

1. Open Meeting Act Announcement and Call to Order

The TSET Board of Directors Chair Bruce Benjamin called the meeting to order at 10:16 a.m. and announced that all requirements of the Open Meeting Act had been met.

Members of the board present were Jack Allen, Bruce Benjamin, Casey Killblane, Curtis Knoles, Ken Rowe, Marshall Snipes and Michelle Stephens, and there was a quorum.

TSET staff present were Julie Bisbee, Thomas Larson, Jonás Mata, Tessa North, Sjonna Paulson, Jennifer Treadwell and Kathie Darr who served as recording secretary.

Assistant Attorney General Sandra Balzer, General Counsel for the board, was present.

2. Approval of Minutes of the January 28, 2020, Regular Board Meeting

Rowe moved board approval of the January 28 minutes as presented. Knoles provided a second. Motion carried.

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

3. Chair's Report

- (a) Referring to the board's strategic map, Benjamin noted efforts toward achievement in each of the three pillars of the plan which include (1) focused investment (2) thought leader and (3) operations, and stated that he would continue to update the board at regular intervals on steps toward measurable improvements in the health of Oklahomans.

4. Shape Your Future Evaluation Results

Dr. Laura Beebe with the University of Oklahoma Health Sciences Center was recognized to present to the board findings from the most recent evaluation of Shape Your Future. She discussed methods for tracking program-related knowledge, attitudes and behavior stating that the current evaluation was web-based and specifically targeted Oklahoma households with children. Beebe reported awareness of Shape Your Future campaign messaging with aided recall at 51% noting general attitudes by respondents to campaign ads. She cited a correlation in campaign investment and behavior change related to physical activity and consumption of fruit and vegetables with significant behavior change in sugar sweetened beverage consumption observed during the height of investment in the campaign. She recommended CDC Best Practices when planning and implementing health communication messaging and answered board member questions relating to data trends, sustainability and ranking among other states.

5. Programs Committee Report

Knoles presented a report from the Programs Committee.

- (a) Knoles acknowledged 11 Healthy Communities Incentive Grant applications totaling \$344,000 and requested board approval.

City of Garvin	\$36,000
City of Minco	\$10,000
City of Mustang	\$24,000
City of Tishomingo	\$36,000
City of Vinita	\$50,000
Kaw City	\$22,000
Town of Adair	\$36,000
Town of Chouteau	\$36,000
Town of Ketchum	\$36,000
Town of Locust Grove	\$36,000
Town of West Siloam Springs	\$22,000

Programs Committee recommends board approval of the slate of Healthy Communities Incentive Grants. No second required. Motion carried.

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

- (b) Knoles acknowledged 20 Healthy Districts Incentive Grant applications totaling \$311,000 and requested board approval.

Canadian Public Schools	\$15,000
Cleveland Public Schools	\$25,000
Coleman School District	\$15,000
Granite Public School	\$15,000
Hollis Public Schools	\$20,000
Indianola Public Schools	\$15,000
Kenwood Public School	\$15,000
Lane Public School	\$13,500
Maysville Public School	\$8,000
Newkirk Public Schools	\$20,000
Peavine Public School	\$15,000
Pond Creek-Hunter Public Schools	\$8,000
Porter Consolidated Schools	\$8,500
Rock Creek	\$20,000
Rush Springs Public Schools	\$20,000
Smithville Public Schools	\$15,000
Stringtown Public Schools	\$8,000
Tishomingo School District	\$20,000
Wyandotte Public Schools	\$20,000
Zion Public School	\$15,000

Programs Committee recommends board approval of the slate of Healthy Districts Incentive Grants. No second required. Motion carried.

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

- (c) Knoles acknowledged 10 Healthy Schools Incentive Grant applications totaling \$34,500 and requested board approval.

Adams Elementary School	\$5,000
Carney Elementary School	\$2,000
Carney High School	\$2,000
Jay Upper Elementary	\$3,000
Lincoln Elementary School	\$3,000
Porter Consolidated Elementary School	\$3,000
Porter Consolidated JH/High School	\$3,000
Truman Primary	\$4,000
Waurika Elementary School	\$7,500
Waurika High School	\$2,000

Programs Committee recommends board approval of the slate of Healthy Schools Incentive Grants. No second required. Motion carried.

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

Board members discussed budgeted amounts for the incentive grants program and branding of projects funded with TSET dollars.

- (d) Knoles stated that the Oklahoma Tobacco Research Center seeks funding for a three year period at \$3.8 million per year with a match of other funding at \$8.9 million per year. He referred board members to their packet for a summary of program metrics and scope of work under future funding, and noted major outcomes to date including recruitment of faculty, obtainment of extramural research funding and the publication of study findings in major journals.

Snipes expressed concerns about market instability and a hesitancy to commit funds without first reviewing the FY 2021 budget, slated for board approval at the May meeting, and verification from the Board of Investors of current reserve amounts. Additionally, he said, he would like to see TSET participate in a financial benefit, if any, on commercialization of products developed within the Oklahoma Tobacco Research Center.

Benjamin thanked Snipes for his comments and called for a vote.

Programs Committee recommends board approval of a three year continuation grant to the Oklahoma Tobacco Research Center. No second required. Motion carried.

Aye: Benjamin, Stephens, Killblane, Knoles, Rowe

Nay: Snipes

Abstain: Allen

Snipes exited at 11:32 a.m.

Snipes entered at 11:34 a.m.

- (e) Knoles requested board approval for a FY 2021 service agreement renewal to the University of Oklahoma Health Sciences Center for management of TSET’s highly successful Oklahoma Tobacco Helpline at its current rate of \$4 million. The Helpline, Knoles stated, reaches a large segment of tobacco users in Oklahoma with an array of cessation services, noting that in FY 2019, 30,046 tobacco users registered for services. Current funding levels, he said, will allow the Helpline to serve up to 40,000 callers annually.

Dr. Jon Hart, Director of the Oklahoma Tobacco Helpline, was present at the meeting and answered board member questions regarding registered participants and cost per call for Helpline services.

Snipes indicated a carry-over of concern from the previous agenda item about uncertainty in the market and unwillingness to commit future monies at the current time.

Programs Committee recommends board approval of a service agreement renewal to the University of Oklahoma Health Sciences Center for management of the Oklahoma Tobacco Helpline. No second required. Motion carried.

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

Nay: Snipes

- (f) Knoles referred the board to their packet for FY 2019 program summaries highlighting the work being done by the Oklahoma Department of Mental Health and Substance Abuse Services, Physician Manpower Training Commission’s Medical Loan Repayment Program and TSET Cancer Research Program at Stephenson Cancer Center.

The Oklahoma Department of Mental Health and Substance Abuse Services, Knoles said, increased referrals to the Oklahoma Tobacco Helpline by 19% in FY 2019, which accounts for 57% of all referrals statewide. Knoles stated that the program is in year two of a three year cycle with FY 2020 funding at \$405,291.

Noting that 62 physicians have participated in the Physician Manpower Training Commission’s Medical Loan Repayment Program over a period of eight years, Knoles shared that 47% currently practice in a rural Oklahoma location. He identified funding for the current fiscal year at \$403,726 and stated that the current contract with PMTC ends in 2027 solidifying funding for the participant class of 2023.

Knoles stated that the Stephenson Cancer Center was rated by US News in 2019 as one of the 50 “Best Hospitals for Cancer” ranking in the top 1% out of 4,650 hospitals. Knoles said that support from TSET has directly contributed to leveraging \$182.5 million in external grant dollars for cancer research since 2012. He noted that the program, funded at \$5,500,000 for FY 2020, was in year two of a five year cycle.

Killblane exited at 11:45 a.m.

Killblane entered at 11:49 a.m.

Stephens exited at 11:50 a.m.

Stephens entered at 11:52 a.m.

Allen exited at 11:53 a.m.

Allen entered at 11:56 a.m.

Rowe exited at 12:02 p.m.

Rowe entered at 12:04 p.m.

(AGENDA ITEM 6(b) WAS TAKEN UP OUT OF ORDER)

6. Public Information and Outreach Committee Report

Killblane presented a report from the Public Information and Outreach Committee

- (b) Killblane stated that reduced available earnings had resulted in budget cuts to health communication programs in recent years. Because of decreased investment, she said, those campaigns had missed target benchmarks and seen declines in public knowledge, attitude and behavior change according to annual evaluations. She requested board approval of additional funding for promotion of the Oklahoma Tobacco Helpline (\$500,000), Tobacco Stops With Me (\$750,000) and Shape Your Future (\$750,000) to restore programmatic gains in tobacco control and other healthy behavior outcomes.

Public Information and Outreach Committee recommends board approval of increased funding to the Health Communication budget in the amount of \$2 million for FY 2020. No second required. Motion carried.

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

Rowe exited at 12:20 p.m.

(AGENDA ITEM 7(c) WAS TAKEN UP OUT OF ORDER)

7. Agency Operations Committee Report

Snipes presented a report from the Agency Operations Committee.

- (c) Snipes requested board approval for a decrease of \$105,250 to the FY 2020 Operating Budget noting the budgeted amount for a staff position that remained vacant for the first half of the year and software conversion for grants tracking which resulted in a cost savings.

Agency Operations Committee recommends board approval of a revision to the FY 2020 Operating Budget. No second required. Motion carried.

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

Absent: Rowe

Rowe entered at 12:24 p.m.

Snipes requested board approval for an increase to the FY 2020 Programs Budget in the amount of \$1,849,750 to include enhanced funding for Health Communication brands less the budgeted amount for a vacant staff position that remained open.

Agency Operations Committee recommends board approval of a revision to the FY 2020 Programs Budget. No second required. Motion carried.

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

5. Programs Committee Report

Knoles continued his report on behalf of the Programs Committee.

- (g) He provided to the board an update on the proposed partnership with the OSU Medical Authority for start-up of a hospital residency program in Enid, Oklahoma, noting that funding had been approved by the TSET board in July 2019. Knoles reported that no agreement had been reached with hospital officials in Enid and the OSU Medical Authority was currently vetting other venues for a modified residency program utilizing a Teaching Health Center model and, per TSET request, would soon be providing additional information with regard to prerequisite planning work, implementation and funding structure. This information, Knoles said, would be provided to board members when it was made available.
- (h) In response to the board's request for increased youth engagement, Knoles stated that the Oklahoma Tobacco Helpline had partnered with National Jewish Hospital's My Life My Quit program to satisfy a gap in cessation services for Oklahoma's youth population. The new program, he said, offers a live-text coaching option for teens aged 13 to 17 and resources for caregivers, educators, healthcare providers and other community partners. Knoles estimated an implementation date of June 1, 2020 and stated that existing funds would cover all associated costs.

6. Public Information and Outreach Committee Report

Killblane continued her report on behalf of the Public Information and Outreach Committee.

- (a) She referred the board to their packet for overviews of ongoing mass media efforts through Tobacco Stops With Me, Shape Your Future and the Oklahoma Tobacco Helpline, and noted that all programs are meeting target benchmarks for FY 2020 with FY 2021 planning processes moving forward on schedule. Killblane shared information on Helpline testimonial advocates and said the new Helpline website is expected to launch in late March with a refreshed look and a more customer-focused layout.
- (c) Killblane highlighted outreach efforts and other activities noting grant check presentations, college basketball sponsorships and media coverage of TSET brands.
- (d) Killblane stated that the sponsorship grant category was at a 94% spend rate with \$33,000 awarded for the fiscal year including recent approval of a grant for the Oklahoma Rural Health Care Conference in early March.
- (e) Killblane said that board members could find in their packet a listing of upcoming TSET-sponsored events to be held in Ada, Oklahoma City and Tulsa.

7. Agency Operations Committee Report

Snipes continued his report on behalf of the Agency Operations Committee.

- (a) He stated that the Board of Investors was also currently meeting and referenced a quarterly earnings document from the board packet identifying estimated earnings through December 31 at \$28.2 million.

- (b) Snipes reported FY 2020 operating and programs budgets through February 15 at spend rates of 51% and 38%, respectively.
- (d) Snipes referred members to their packet for current reserve amounts based on the board's three year rolling average policy.
- (e) Snipes stated that board members could find in their packet a reference document outlining multi-year contractual commitments.

8. Executive Director's Report

- (a) Bisbee introduced Lorene Roberson, who was in attendance at the meeting, and noted her credentials and relevant work history. Roberson, she said, joined TSET in February as the Public Information Specialist.
- (b) Bisbee gave an overview of her activities on behalf of TSET citing communications with Treasurer McDaniel's office, lawmakers and another officials. She noted speaking engagements, big check presentation events, and recorded dialogues with various media outlets.
- (c) Thomas Larson, Director of Public Information and Outreach at TSET, was recognized to brief the board on legislative activity. He discussed initiatives to reduce Master Settlement Agreement payments to the endowment and other mission-related bills noting respective status in the legislative process. The board discussed an initiative to create the Oklahoma Workplace Clean Air Act and minimum age to purchase tobacco products.

Ken Rowe exited at 1:05 p.m.

9. Consideration of a Motion and Vote to Enter into Executive Session to Discuss Evaluation of Executive Director

Allen moved board approval to go into Executive Session. Snipes provided a second. Motion carried.

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

Absent: Rowe

10. Executive Session

Board members Bruce Benjamin, Michelle Stephens, Jack Allen, Casey Killblane, Curtis Knoles and Marshall Snipes met in Executive Session beginning at 1:14 p.m.

11. Consideration of a Motion and Vote to Return to Open Session

Stephens moved board approval to return to Open Session. Killblane provided a second. Motion carried.

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

Absent: Rowe

The board returned to Open Session at 1:59 p.m.

12. Discussion and Possible Action on the Terms of Employment of the Executive Director Including a Possible Salary Increase

No discussion. No action taken.

13. New Business

No new business.

14. Public Comment

No public comment.

15. Adjournment

Killblane moved board approval to adjourn. Stephens provided a second. Motion carried.

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

Absent: Rowe

The meeting adjourned at 2:00 p.m.