

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

May 19, 2020

University Research Park
PHF Conference Center, Kiva Conference Room
655 Research Parkway
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 1:08 p.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, 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 March 12, 2020, Regular Board Meeting

Allen moved board approval of the March 12 minutes as presented. Killblane provided a second. Motion carried.

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

3. Chair's Report

- (a) Benjamin revisited priority areas of the board's strategic map and provided highlights from each of the three categories outlined in the plan. A copy, he said, was in the board packet.
- (b) Benjamin stated that the board's annual retreat was slated for August 27 – 28 at the Chickasaw Retreat and Conference Center in Sulphur noting that staff would continue to monitor guidance about in-person meetings and plans would be adjusted accordingly.

4. Executive Director's Report

- (a) Bisbee shared that TSET staff had returned to the office on a staggered work schedule based on phase two recommendations for reopening in accordance with the state's COVID-19 pandemic response. Interviews were ongoing, she said, for a program officer and health communication manager with both positions expected to be filled by June 1.

- (b) While social-distancing had limited opportunities for in-person engagement, Bisbee said that outreach efforts to educate Oklahomans on the impact of TSET had continued through virtual platforms and various other means.
- (c) Bisbee recognized Thomas Larson, TSET's Director of Public Information and Outreach, for a legislative update. Noting a truncated legislative session, Larson briefed the board on status of priority bills for the agency and other legislative activity. Senate Joint Resolution 27, he said, passed the House and Senate and would be sent to a ballot asking voters to decide whether Oklahoma's Constitution should be modified allowing for changes to the current apportionment of annual payments from the Master Settlement Agreement. Board members engaged in discussions on comprehensive tobacco legislation and measures to curb tobacco use in Oklahoma.

5. Discussion and Possible Action on Funding for Food Access Partnerships

Noting the COVID-19 pandemic had highlighted the need for continued investment in helping Oklahomans live healthier lives, Bisbee presented for board consideration a short-term funding opportunity aimed at increasing access to fresh, nutritious foods. She proposed allocating up to \$1 million over the next fiscal year to expand investment in food access partnerships through an award process overseen by the Programs Committee. Discussions included program parameters, timeline and approval process.

Snipes moved board approval to allocate funding up to \$1 million for partnership expansion to increase food access over the next fiscal year. Knoles provided a second. Motion carried.

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

6. Programs Committee Report

Knoles presented a report from the Programs Committee.

- (a) He gave an update on the partnership with the OSU Medical Authority for start-up of a hospital residency program. Knoles stated that a new proposal was received from OSU in April outlining plans to implement programs in Bartlesville and Cherokee requiring \$4.7 million in start-up costs, more than twice the balance remaining from TSET's initial FY 2016 commitment. He indicated the Programs Committee had reviewed the proposal, and while generally in favor of the program, was unwilling to request from the board a commitment of funding at that level given current economic conditions. Knoles stated that Programs Committee members would continue discussions with OSU and report back at the August meeting.
- (b) Knoles outlined for the board the COVID-19 impact on FY 2020 grant performance noting delays in reporting and activity completion, and, in some cases, a lapse in FY 2020 dollars. Additionally, he shared with the board examples of the supportive work on COVID-19 emergency response including the use of a Biofire Lightscanner machine that had been purchased by OCASCR, a TSET-funded research grantee, for detection of DNA mutations, funding for 2-1-1 and educational messaging to ensure Oklahomans are adhering to preventative measures to combat spread of the virus.
- (c) Knoles stated that TSET received 53 applications that were eligible for review in response to the Healthy Living Program 2.0 RFP which closed on February 28. The proposals, he said, were vetted by a review panel that included 21 external reviewers from across the country. Knoles presented the listing of 35 applicants which were deemed to have met requirements of the RFP and requested board approval for funding not to exceed \$6,944,964 for year one of the grant cycle.

Organization	County Served	Year 1 Budget Recommended
Atoka County Health Department	Atoka	\$105,000
Bryan County Health Department	Bryan	\$128,000
Canadian County Health Department	Canadian	\$183,340
Cherokee County Health Services Council	Cherokee	\$220,000
Cherokee Nation	Adair	\$220,000
Comanche County Memorial Hospital	Comanche	\$220,000
Gateway to Prevention and Recovery	Pottawatomie	\$220,000
Grand Nation	Craig	\$220,000
Great Plains Youth and Family Services	Caddo, Kiowa	\$151,631
KIBOIS Community Action Foundation	Haskell	\$141,000
Kingfisher County Health Department	Blaine, Kingfisher	\$175,000
LeFlore County Youth Services	LeFlore	\$173,697
Lincoln County Health Department	Lincoln	\$192,096
Marshall County Health Department	Marshall	\$110,000
Mayes County HOPE	Mayes	\$205,462
McClain-Garvin County Youth and Family Services Center, Inc. <i>dba Frontline Family Solutions</i>	Garvin	\$183,000
McCurtain County Health Department	McCurtain	\$204,000
Muskogee County Health Department	Muskogee	\$219,946
Norman Regional Health System	McClain	\$179,000
Norman Regional Health System	Cleveland	\$220,000
Norman Regional Health System	Grady	\$220,000
Nowata CAN	Nowata	\$119,000
Oklahoma City-County Health Department	Oklahoma	\$360,000
Oklahoma State University	Kay	\$182,000
Oklahoma State University	Creek	\$220,000
Oklahoma State University	Payne	\$220,000
People Inc.	Sequoyah	\$168,273
Pittsburg County Health Department	Pittsburg	\$204,519
Pontotoc County Health Department	Pontotoc	\$220,000
Pushmataha County Health Department	Pushmataha	\$120,000
ROCMND Area Youth Services	Delaware	\$220,000
Rogers County Volunteers for Youth	Rogers	\$220,000
Rural Health Projects, Inc.	Garfield	\$220,000
Tulsa County Health Department	Tulsa	\$360,000
Wichita Mountains Prevention Network	Carter	\$220,000
# of Priority Counties to be Served: 20		\$6,944,964

Programs Committee recommended board approval of the slate of Healthy Living Program 2.0 grant awards. No second required. Motion carried.

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

(d) Knoles stated that implications from COVID-19 had necessitated suspensions in bench science for TSET-funded researchers impeding progress on research grants and many purchasing processes. Delays in spending from OCASCR grants had left approximately \$500,000 in FY 2020 funds expected to remain when the fiscal year ends on June 30, 2020, he said. To allow additional time for project completion, Knoles requested, on behalf of OMRF, a six-month no-cost extension to OMRF's FY 2020 OCASCR agreement noting all other terms to remain the same. Board members sought verification from TSET staff that the extension agreement would not affect proposed budgeting amounts for FY 2021 and the current fiscal year would remain open until invoices had been submitted and paid.

Programs Committee recommended board approval of a no-cost extension FY 2020 agreement for OCASCR. No second required. Motion carried.

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

(e) Knoles presented for board approval a listing of FY 2021 contract and grant renewals. Board members discussed funding amounts and budget fluctuations from previous years.

FY 2021 Contract and Grant Renewal Requests	FY 2021 Request
ChangeLab Solutions <i>Technical assistance, training, and product development</i>	\$250,000
Emory University <i>Public Health Academy of Oklahoma</i>	\$172,589
Oklahoma Department of Mental Health and Substance Abuse Services <i>Wellness Enhancement System Initiative</i>	\$584,788
Oklahoma Health Care Authority <i>SoonerQuit</i>	\$270,231
Oklahoma Health Care Authority <i>Health Communications cost share for SoonerQuit</i>	\$2,000,000
Oklahoma Hospital Association <i>Hospitals Helping Patients Quit (HHPQ) and WorkHealthy Hospitals (WHH) programs</i>	\$593,126
Oklahoma Medical Research Foundation <i>Oklahoma Center for Adult Stem Cell Research</i>	\$2,910,000
Oklahoma State Department of Health - Center for Chronic Disease Prevention & Health Promotion <i>Technical assistance, coordination, and training</i>	\$1,140,103
Onside Partners <i>Technical assistance, training, and product development</i>	\$95,000
Physician Manpower Training Commission <i>Oklahoma Medical Loan Repayment Program</i>	\$416,230
Rescue <i>Free the Night smoke-free bars and clubs program</i>	\$213,750
University of Oklahoma Health Sciences Center - College of Public Health <i>Program evaluation</i>	\$1,585,000
University of Oklahoma Health Sciences Center - Stephenson Cancer Center <i>Oklahoma Health Promotion Research Center (formerly OTRC)</i>	\$3,686,000

University of Oklahoma Health Sciences Center - Stephenson Cancer Center <i>TSET Cancer Research Program</i>	\$5,335,000
University of Oklahoma Health Sciences Center - Stephenson Cancer Center <i>Helpline management subcontract with Optum</i>	\$4,000,000
University of Oklahoma Health Sciences Center - Stephenson Cancer Center <i>Helpline oversight</i>	\$287,451
VI Marketing and Branding <i>Tobacco Stops With Me, Shape Your Future, Oklahoma Tobacco Helpline campaigns</i>	\$11,685,000
VI Marketing and Branding <i>State match for federal funds to OHCA</i>	\$2,000,000
Total Requested:	\$37,224,268

Programs Committee recommended board approval of the slate of contract and grant renewals. No second required. Motion carried.

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

7. Public Information and Outreach Committee Report

Killblane presented a report from 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 all programs performing at target benchmarks for FY 2020 with FY 2021 planning processes underway. The Oklahoma Tobacco Helpline’s new website launched in April, she said, with enhanced enrollment functions for cessation services.
- (b) Bisbee was recognized and stated that four applications were received in response to TSET’s RFP seeking qualified vendors for a youth-focused tobacco and obesity prevention campaign. The new program, she indicated, was in response to the board’s call for increased reach to Oklahoma’s adolescent population. Following a thorough review, she said, TSET staff selected for recommendation to the board Rescue Agency based on demonstrated expertise imparted from other related projects. Bisbee requested board approval of \$1.5 million for FY 2021 to Rescue Agency for the licensing of professionally created media messaging renewable with board consent for up to four additional years based on availability of funding and contract performance.

Public Information and Outreach Committee recommended board approval of \$1.5 million to Rescue Agency for implementation of a youth media and marketing program. No second required. Motion carried.

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

- (c) Killblane highlighted outreach efforts noting the new TSET Better Health podcast series, television appearances and other media coverage.
- (d) All allocated funds for sponsorships had been committed, Killblane said, and the grant category was closed for the fiscal year which ends June 30.

(e) Killblane stated that board members could find in their packet a listing of upcoming events.

8. Agency Operations Committee Report

Snipes presented a report from the Agency Operations Committee.

- (a) He stated that board members could find in their packet an earnings estimate for the first nine months of the fiscal year. The document, he said, shows endowment earnings to be significantly less than the estimate for the same time period in the previous fiscal year with market fluctuations expected to impact earnings from the endowment for the following fiscal year. Based on this information, he stated, the Agency Operations Committee recommends budget cuts for FY 2021 in anticipation of a potentially slow economic recovery.
- (b) Snipes reported FY 2020 operating and programs budgets through April 17 at spend rates of 64% and 54%, respectively.
- (c) Snipes referenced an FY 2020 balance sheet from the board packet including cumulative information from the Board of Directors and the Board of Investors demonstrating a full depiction of overall value of the fund, year-to-date liabilities and available earnings.
- (d) Snipes presented for board consideration the FY 2021 operating budget at \$1,747,106 noting an increase of \$72,088 from the previous fiscal year, and the programs budget at \$45,544,676 reflecting a decrease from FY 2020 in the amount of \$3,262,708. Snipes confirmed that budgeted amounts adequately allowed for funding the programs goals set forth by the board at their fall retreat.

Agency Operations Committee recommended board approval of the FY 2021 budget as presented. No second required. Motion carried.

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

9. New Business

No new business.

10. Public Comment

Benjamin asked for public comment and reminded all meeting attendees of parameters for addressing the board. The following comment was received via text message and read aloud: *On behalf of Norman Regional Health System, thank you for entrusting our organization to continue the HLP 2.0 work in Cleveland, McClain and Grady counties!*

11. Adjournment

Allen moved board approval to adjourn. Knoles provided a second. Motion carried.

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

The meeting adjourned at 2:26 p.m.