

Oklahoma Tobacco Settlement Endowment Trust
Board of Directors
Minutes
September 10, 2009

Board of Directors' Members Present: Casey Killblane, D. Robert McCaffree, M.D., Susan Walters Bizé, Don Cooper, George E. Foster, O.D., W.R. Lissau, Kenneth D. Rowe

Staff Present: Tracey Strader, Jonás Mata, Sjonna Paulson, Dorothy Antwine, Lance Thomas

Guests Present: Shawn Ashley, Laura Beebe, Doug Matheny, Michael McNutt, Frank Merrick, Travis Monroe, Greta Puckett, Regina Switzer

Agenda Item	Discussion and Notes	Action and Follow-up
1. Open Meeting Act, Call to Order and Opening Remarks	Casey Killblane called the meeting to order and announced that the requirements of the Open Meeting Act, including the filing of the meeting and posting of the agenda had been met.	
2. Approval of Minutes of the May 18, 2009 Regular Board Meeting		Motion to approve Minutes of the May 18, 2009 Regular Board Meeting made by Dr. McCaffree and seconded by Dr. Cooper. Motion passed unanimously. Dorothy Antwine will make the minutes part of the permanent record.
3. Board of Investors Update	Travis Monroe reported \$17,801,483.61 was certified at the last Board of Investors meeting. The fund balance was \$310 million in April 2009 and is now \$461 million. The Board of Investors also approved a policy change related to the use of third party marketers which would make this practice more transparent.	
4.a. Chair's Report – Board Meeting Dates for 2010	Casey Killblane discussed the 2010 board meeting dates would be decided at the November 2009 board meeting.	Dorothy Antwine will contact the board to establish 2010 dates prior to the November board meeting.
4.b. Chair's Report - Special Board Meeting on Adult Stem Cell Research September 24, 2009	Frank Merrick distributed a proposed agenda for the September 24, 2009 meeting in which the board would begin exploring how its Adult Stem Cell Research (ASCR) funding would be allocated. Representatives from the Oklahoma Medical Research Foundation, OU Cancer Institute, and OSU would present an overview of the current work in ASCR in Oklahoma, and make recommendations about funding allocation and grantmaking processes. Representatives from the EDGE fund and OCAST would describe their grantmaking processes and opportunities for working together, and additional panelists would include advisors such as Representative Enns, Dr. Ewart of the Hough Ear Institute, and Michael Anderson of the Presbyterian Health Foundation.	The meeting will be held at Research Park in Oklahoma City

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4.c. Chair’s Report – Board Retreat November 17-18, 2009	Casey Killblane discussed the November 17-18, 2009 board retreat in Davis, OK to include planning for future program funding with a particular emphasis on fitness and nutrition.	Dorothy Antwine will coordinate with the board regarding logistics.
5.a. Director’s Report – Recent Training Events and Upcoming Training Opportunities	Tracey Strader discussed various upcoming training opportunities and conferences.	
5.b. Director’s Report – Conference Sponsorships Update	Tracey Strader reported that conferences sponsored in FY 2010 to date were the Oklahoma Institute for Child Advocacy Fall Forum, American Lung Association’s Lung Health Luncheon, and the Rural Health Association of Oklahoma Annual Conference.	
5.c. Director’s Report – Agency Updates	Tracey Strader described the Oklahoma Health Improvement Plan (OHIP) process and her role as co-chair of the Tobacco Use Flagship Workgroup with Doug Matheny of the OSDH as co-chair. The purpose of OHIP is to identify the actions needed to improve Oklahoma’s health status. Tracey also reported that a request had been submitted to the Department of Central Services for additional space and a new location for the office. Tracey asked Sjonna Paulson, Communications Director, to provide communications updates related to promotion of the Oklahoma Tobacco Helpline and the Tobacco Stop With Me campaign, including a presence at the Oklahoma State and Tulsa State Fairs, new television ads, and an update on the American Legacy Foundation’s Become An Ex campaign.	
6.a. Program Development Committee Report – Discussion and Possible Action to Allocate Grant Funding for Enforcement of the Oklahoma Youth Access to Tobacco Act	Susan Bizé said to increase the rate at which tobacco retailers comply with the Oklahoma Youth Access to Tobacco Act, the committee is recommending funding for the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) to increase their contract with the ABLE Commission to conduct compliance checks. ABLE currently conducts only 500 compliance checks per year, and additional funding would allow them to complete over 2,000 checks. ODMHSAS currently has a system in place for identifying the outlets to be checked, overseeing the process and analyzing the data. If the compliance rate falls below 80%, ODMHSAS stands to lose a multimillion dollar federal block grant. New evidence suggests that strong enforcement may be as effective as a tobacco tax increase in reducing youth tobacco use.	<p>Program Development Committee recommended a budget allocation of \$350,000 for FY 2010. Motion passed unanimously.</p> <p>Staff will work with ODMHSAS to prepare a three year contract which will be brought to the board for final approval at the November board meeting.</p>

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6.b. Program Development Committee Report – CX III RFP	Susan Bizé said the committee would like to authorize the release of CX Wave III Request for Proposals so that grants could begin by July or October 2010. This would not have a budget impact for FY 2010, as grants would begin in FY 2011.	Program Development Committee recommended authorizing CX III RFP release. Motion passed unanimously.
6.c. Program Development Committee Report – Specific Populations RFP(s)	Ms. Bizé said the committee was also recommending approval for staff to begin working on a request for a proposal for projects addressing tobacco among specific populations. Ideally a new project could begin July 1, 2010 or October 1, 2010. This would not have a budget impact for FY 2010 as grants would begin in FY 2011.	Program Development Committee recommended beginning work on one or more RFP(s) for Specific Populations. Motion passed unanimously.
7.a. Program Implementation Committee Report – Presentation – Oklahoma Tobacco Research Center update, and Oklahoma Tobacco Helpline Weight Concerns Randomized Controlled Clinical Trial Update	Dr. Beebe reported that the Weigh2Quit study was a collaborative research project between TSET, OSDH, OU and Free & Clear to test the efficacy of an innovative intervention to address concerns about weight gain among smokers who call the Helpline and want to quit smoking. The target response rate in follow-up was 60% in order to achieve a power of 80%. However, the actual response rate was 51% which reduced the power of the study to 75%. The study showed there is a significant overlap between smoking and obesity, and low levels of physical activity. Dr. Beebe reported that the OTRC Advisory Committee completed its strategic plan for the first phase of the research center’s development and that membership within the OTRC continues to increase. At this time 15 different institutions are members of the OTRC, three or four grants have been submitted to the National Institutes of Health and one has been funded. In addition progress has been made on recruiting faculty with the OTRC providing 75% support and the OU College of Public Health, Department of Health Promotion Sciences providing 25% support. They have also made significant progress with the State Department of Health in creating the Cancer Research Registry and a tobacco data warehouse.	Dr. Beebe will provide outcomes on the Weigh2Quit study at the November board meeting.
7.b. Program Implementation Committee Report – Increased Amount of Contract with the American Legacy Foundation for Membership in the National Alliance for Tobacco Cessation	Dr. Foster said the amount of the contract with the American Legacy Foundation membership in the National Alliance for Tobacco Cessation (NATC) has reverted back to the rate from 2008. It had been discounted in 2009. The additional \$33,778 is within the Executive Director’s budget revision authority, so this is a notification. No board action is required.	

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7.c. Program Implementation Committee Report – Consideration and Possible Action to Increase the Contract with the Oklahoma Tobacco Research Center for the National Adult Tobacco Survey	Dr. Foster explained that the Office on Smoking and Health within the CDC is planning to implement the National Adult Tobacco Survey (NATS) this fall or winter. States have been given the opportunity to increase the sample size to generalize the survey results to the entire state. Because Oklahoma has one of the highest percentages of people who do not have landlines but instead have cell phones, the committee proposes to increase the survey size related to cell phone surveys. This would require an additional \$115,000 in the OTRC contract.	Program Implementation Committee recommended an additional \$115,000 in the OTRC contract to increase the sample size of the National Adult Tobacco Survey. Motion passed unanimously.
7.d. Program Implementation Committee Report – Consideration and Possible Action on Renewal of Grant with the OSU Center for Health Sciences for the Addressing Tobacco in Specific Populations Program, “Tobacco Free Zone” (RFP# 09290000003)	Dr. Foster said the committee recommended the renewal of a grant with the OSU Center of Health Sciences for the addressing tobacco in Specific Populations program, “Tobacco Free Zone.” Jonás Mata said this grantee was going into their fourth year and was working with the Tulsa Housing Authority on a tobacco-free property policy. The federal Housing and Urban Development (HUD) recently issued a notice to public housing authorities strongly encouraging them to pass no-smoking policies in some or all of their housing units. This notice should assist the grantee in their efforts in Tulsa.	Program Implementation Committee recommended renewal of the OSU Center for Health Sciences Specific Populations grant, “Tobacco Free Zone”. Motion passed unanimously.
7.e. Program Implementation Committee Report – Consideration and Possible Action on Renewal of Grants for the Communities of Excellence in Tobacco Control Program, Wave II (RFP# 092-1)	Dr. Foster reported the Committee discussed the renewal of the grants for the Communities of Excellence in Tobacco Control Program Wave II. Jonás Mata reported significant concerns with the progress of one of the grantees. However after a meeting with the grantee, an action plan was developed and the coalition was expanded to include influential and committed members. The other grantees are progressing as most grantees should.	Program Implementation Committee recommended renewal of Communities of Excellence Wave II grantees. Motion passed unanimously.
7.f. Program Implementation Committee Report – Consideration and Possible Vote on Amendment to the TSET Unsolicited Proposals Process	Dr. Foster explained that a proposed revision to the unsolicited proposals process would allow the cash match to come from the applicant organization and/or third parties.	Program Implementation Committee recommended approval of a revision to Unsolicited Proposals guidelines to allow the required cash match to come from the applicant’s organization and/or third parties. Motion passed unanimously.

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7.g. Program Implementation Committee Report – Consideration and Possible Action on Grant Termination Process	Dr. Foster described the grant reduction and/or termination process currently used by staff to address unsatisfactory program or administrative performance in the board packet. This is the process that would be implemented before staff would bring a grant reduction or termination recommendation to the board.	Program Implementation Committee recommended approval of grant reduction or termination process. Motion passed unanimously.
8.a. Agency Operations Committee Report – FY 2009, Fourth Quarter Expenditures, Budget to Actual, Operating & Programs Budget	Ken Rowe reviewed the FY 2009 Fourth Quarter expenditures. Because TSET purchases and grants are paid on a reimbursement basis, it will be a few months before the fiscal year closeout can be completed.	
8.b. Agency Operations Committee Report – Consideration and Possible Action on FY 2010 Final Operating & Programs Budgets	Ken Rowe discussed the FY 2010 Final Operating and Programs Budgets. Changes from preliminary to final included the budget for enforcement, more accurate figures for Communities of Excellence programs, an increase in the OTRC budget and the increase in the National Alliance for Tobacco Cessation contract.	Agency Operations Committee recommended approval of the Final FY 2010 Operating Budget. Motion passed unanimously. Agency Operations Committee recommended approval of the Final FY 2010 Programs Budget. Motion passed unanimously.
8.c. Agency Operations Committee Report – Update on Administrative Rules Process	Ken Rowe said the agency staff was working with the agency attorney and a contracted rules liaison to develop administrative rules for TSET. Tracey Strader said a draft would be ready at the November board meeting for approval. If approved then public notices and a public hearing would occur prior to the legislative session. There are a number of steps involved.	
8.d. Agency Operations Committee Report – FY 09 Agency Audit and Grantee Desk Audits Update	Tracey Strader reported that the agency audit is underway. There were no audit findings to date. Jonás Mata reported that the grantee desk audits went well and there were no serious concerns with grantee expenditures or accounting processes.	
9.a. Proposed Executive Session – Review and Discussion of Proposals in Response to the Request for Proposals for the Oklahoma Tobacco Helpline (RFP# 092-3).		Motion to move into Executive Session made by Ken Rowe and seconded by Susan Bizé. Motion passed unanimously.

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<p>9.b. Proposed Executive Session – Review and Discussion of Proposals in Response to the Request for Proposals for the Communities of Excellence in Tobacco Control Program, Wave I, Round II, (RFP# TSET 092-2)</p> <p>9.c. Proposed Executive Session – Review and Discussion of Unsolicited Proposal</p> <p>10.a. Proposed Executive Session – Board of Directors to Discuss Evaluation of the Executive Director and Salaries of the Executive Director and Staff</p>		<p>Motion to move out of Executive Session made by Ken Rowe and seconded by Dr. Foster. Motion passed unanimously.</p>
<p>11.a. Consideration and Possible Vote on Items from Executive Session – Proposals in Response to the Request for Proposals for the Oklahoma Tobacco Helpline (RFP# TSET 092-3)</p>		<p>Program Development Committee recommended award to Free & Clear for the Oklahoma Tobacco Helpline. Motion passed unanimously.</p>
<p>11.b. Consideration and Possible Vote on Items from Executive Session – Proposals in Response to the Request for Proposals for the Communities of Excellence in Tobacco Control Program, Wave I, Round II, (RFP# TSET 092-2)</p>		<p>Program Development Committee recommended award of slate of 17 CX Wave II Round I grantees, one of which is contingent upon receipt of a Waiver of Immunity. Motion passed unanimously.</p>

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11.c. Consideration and Possible Vote on Items from Executive Session – Unsolicited Proposal		Program Development Committee recommended award of grant to the Oklahoma Health Care Authority. Motion passed unanimously.
11.d. Consideration and Possible Vote on Items from Executive Session – Evaluation of the Executive Director and Salaries of the Executive Director and Staff	Casey Killblane said the evaluation of the Executive Director was completed and asked Ms. Strader to coordinate with the Agency Operations Committee to review the evaluation recommendations.	
12. New Business	Casey Killblane called for new business.	
13. Public Comment	<p>Casey Killblane called for public comment.</p> <p>Doug Matheny of the Oklahoma State Department of Health stated that the Oklahoma Tax Commission data for the fiscal year would soon be completed. He said because of another generation of compacts that started to be implemented, a significant decrease in the number of cigarettes sold in the state occurred simultaneously with a significant increase in the revenue from the Tobacco Tax.</p> <p>Dr. McCaffree announced that he would be resigning from the board in the near future to take a position with the Oklahoma Tobacco Research Center. He praised the board’s accomplishments over a relatively short period of time and expressed confidence that the board’s work would continue to have a positive impact on the health of Oklahomans.</p> <p>Dr. Cooper announced he would be retiring from the board in June 2010.</p>	Doug Matheny will provide new tobacco tax slides to Tracey to distribute to the board members.
14. Adjournment		Motion to adjourn made by Dr. McCaffree and seconded by Dr. Foster. Motion passed unanimously.