



**Oklahoma Tobacco Settlement Endowment Trust
Board of Directors
Regular Meeting
November 14, 2017**

Board members present: *Bruce Benjamin; Jim Gebhart; Casey Killblane; Curtis Knoles; Ken Rowe; Michelle Stephens*

Board members absent: *Don Millican*

TSET staff present: *Julie Bisbee; Kathie Darr; Jessica Davis; Jonás Mata; Elyse Maxwell; Sam McClendon; Sharon Neal; Tessa North; Sjonna Paulson; Lisa Taylor; Jennifer Treadwell; John Woods*

Guests present: *Greta Anglin, VI Marketing and Branding; Nate Atchison, Finley & Cook; Brianna Bailey, The Oklahoman; Nick Clark, Office of Management and Enterprise Services; Shirley Cox, Oklahoma Department of Human Services; Laura DeLongy, Oklahoma Tobacco Research Center; Fahad Khan, Oklahoma State Department of Health; Paola Klein, Oklahoma Tobacco Research Center; Martha Kulmacz, Attorney General’s Office; Todd Meigs, Office of Management and Enterprise Services; Sheree Powell, Oklahoma Department of Human Services; Rebekah Rhoades, OU Health Sciences Center; Rebecca Smellen, Oklahoma Department of Human Services; Stephanie U’Ren, Oklahoma State Department of Health; LeRoy Young, OSU Center for Health Sciences*

Agenda Items and Discussions	Actions and Follow-Up Items
1. Open Meeting Act Announcement and Call to Order	
The TSET Board of Directors Vice-Chair, Bruce Benjamin, called the meeting to order at 10:01 a.m. and announced that TSET had met all Open Meeting Act requirements.	
2. Approval of Minutes of the August 24, 2017, Regular Board Meeting	
Benjamin asked the board if they had reviewed the minutes from the August 24, 2017, regular board meeting and if there were any corrections to be made. Hearing none, he called for a motion. Motion: Jim Gebhart Second: Casey Killblane	The board voted unanimously to approve the minutes of the August 24, 2017, regular board meeting.
3. Chair’s Report	
Reminding the board of the previously approved 2018 board meeting dates – January 30 (to be held in Tulsa), March 29, May 17 – Benjamin proposed dates for the final two meetings for 2018 and requested a motion. Motion: Ken Rowe Second: Curtis Knoles	The board voted unanimously to approve Tuesday, September 11 and Thursday, November 15 to complete their 2018 meeting schedule.



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4. Executive Director's Report	
<p>Woods provided to the board a general legislative update offering details from an October Interim Study on non-appropriated state agencies in which he was asked to appear on behalf of TSET (Interim Study #17-115, Representative Kevin McDugle) and an impending budget deal at the State Capitol. He also notified the board that he had begun a preliminary process of organizing 'legislative coffees' across the state, beginning with McAlester on December 1, with other dates to follow, and encouraged board member participation. With pre-filing of legislative initiatives for the 2018 regular session underway, Woods notified the board that he would be monitoring for regulatory measures that impact TSET, and keeping them informed. He highlighted his recent activities, making mention of earned media, conferences, participation on panels, and various speaking engagements. Woods announced the resignation of Jane Ziegler, leaving the grants management position open for posting, and provided an update on the court-mandated issuance of corrective statements by tobacco companies for breaking civil racketeering laws, lying to the public about the dangers of smoking, and marketing to children, noting that in Oklahoma, these would be published in the Black Chronicle beginning on Sunday November 26. Woods discussed the opportunity to remind grantees of tobacco industry tactics, noting that according to OTRC research, when the public is made aware, they are more likely to support regulatory reform. He stated that TSET would be aiming to utilize this information and incorporating it into messaging.</p>	<p>NOTE: Provide to board bullet points on corrective statements.</p>
5. Audit Report Presentation – Nate Atchison, Finley & Cook	
<p>Nate Atchison was recognized to present the findings from the TSET Financial Statements Audit. He began by announcing to the board that he would be retiring from Finley & Cook at the end of the calendar year and that a great team was in place, headed by Dan Bledsoe, to handle future audits. Referring the board to copies of the audit that were provided at the meeting, he verified a clean opinion on financial statements; no findings of non-compliance on rules and regulations; no deficiencies in internal controls; no issues with standard implementation for next year; and no fraud improprieties found or encountered. Director Woods thanked Atchison for his presentation and notified the board that the audit would be available on the TSET website by the end of the day.</p>	
6. Discussion and Possible Action on One-Time Grant Awards	
<p>Woods was recognized and stated that the board chairman had requested consideration of two one-time grants for the Department of Human Services in the amount of \$1.81 million to maintain current level of services for their senior nutrition program; and the Oklahoma Department of Mental Health and Substance Abuse Services in the amount of \$1.27 million to maintain current level of services for their children's mobile response and stabilization teams. Citing Article 10, Section 40 of the Oklahoma Constitution, he confirmed that the grant awards would fall</p>	



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<p>under the purview of TSET’s mission based upon their focus on the health and well-being of youth and senior adults. Representatives from both agencies were present and invited to address the board to speak on the merits of their respective programs, the urgency of their funding needs, and answer any questions.</p>	
<p>a. <u>Department of Human Services, Senior Nutrition Program</u> Motion: Casey Killblane Second: Jim Gebhart</p>	<p>The board voted unanimously to approve a one-time grant to the Department of Human Services in the amount of \$1.81 million.</p>
<p>b. <u>Oklahoma Department of Mental Health and Substance Abuse Services</u> Motion: Curtis Knoles Second: Ken Rowe</p>	<p>The board voted unanimously to approve a one-time grant to the Oklahoma Department of Mental Health and Substance Abuse Services in the amount of \$1.27 million.</p>
<p>7. Agency Operations Committee Report – Jim Gebhart, Chair</p>	
<p>a. <u>Budget to Actual; Operating and Programs FY 2017</u> Gebhart informed the board that the FY 2017 operating budget was completed at 95%; and the FY 2017 programs budget was expended at 96%, awaiting final invoices for completion.</p>	
<p>b. <u>Budget to Actual; Operating and Programs FY 2018</u> Gebhart stated that as of October 31, the operating budget for FY 2018 was expended at 26%, right on track; and the FY 2018 programs budget was at 12% expended with several invoices to be paid out in November.</p>	
<p>c. <u>Budget Revision; Programs FY 2018</u> Gebhart notified the board that in addition to a budget revision to cover one-time grants to the Department of Human Services and the Oklahoma Department of Mental Health and Substance Abuse Services approved by the board earlier in the meeting, he also was seeking approval on a \$109,711 increase in programs payroll to cover salaries for the incentive grants program personnel, and stated that all adjustments would be paid from reserves. Motion: Casey Killblane Second: Jim Gebhart</p>	<p>The board voted unanimously to approve requested revisions to the FY 2018 programs budget.</p>
<p>8. Discussion on Incentive Grant Programs</p>	
<p>Following a short video on the impact of TSET incentive grants that was featured on OETA, Woods reminded the board that the incentive grant programs, historically operated through a funding partnership with the Oklahoma State Department of Health, would no longer be funded with OSDH dollars. Additionally, he stated that the \$219,000 in incentive grants slated for board action had been pulled from the agenda in anticipation of a request by OSDH for return of the remaining incentive grant dollars, and noted that the application process for 2017 eligible</p>	



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<p>recipients had been suspended pending board action. The board discussed at length and ultimately determined that two separate actions were necessary.</p>	
<p>a. <u>Motion to identify internal funding through agency cost savings to fulfill the \$219,000 obligation to incentive grantees originally slated for November board approval and award at January 30 board meeting.</u> Motion: Ken Rowe Second: Casey Killblane</p>	<p>The board voted unanimously to approve taking up the slate of November incentive grant recipients at the January 30 board meeting if an internal funding source could be identified.</p>
<p>b. <u>Motion to suspend applications for the Healthy Schools and Healthy Communities Incentive Grant Program for remainder of FY 2018 as board considers criteria and funding of incentive grant program for FY 2019. If TSET Board of Directors determines to continue incentive grant programs, communities and schools eligible to receive grants under Certified Healthy 2017 criteria will be eligible for application and approval under their current TSET criteria that have not received funding.</u> Motion: Jim Gebhart Second: Ken Rowe</p>	<p>The board voted unanimously to approve a suspension of incentive grant programs for the remainder of FY 2018 with the criteria for eligibility outlined in the motion.</p>
<p>9. Program Implementation Committee Report – Curtis Knoles, Chair</p>	
<p>a. <u>Health communications update</u> Knoles provided an overview of ongoing mass media efforts through Tobacco Stops With Me, Shape Your Future, and the Oklahoma Tobacco Helpline. Entertaining board member questions about registrations for cessation services and the quit rate correlation to physician referrals, he recognized Sjonna Paulson, TSET’s Director of Health Communication, for clarification. He reported that the media services RFP was moving forward on schedule with four submissions under review and a final award announcement to be made on December 8.</p>	<p>NOTE: Provide to board success rate statistics on physician referrals to Oklahoma Tobacco Helpline.</p>
<p>b. <u>Healthy Living Program performance report</u> Stating that the HLP performance report would serve as a standard measure of performance of grantee work through FY 2017, Knoles referred the board to their packet for the final product and commended staff for their work on the project initiative. Jonás Mata, TSET’s Director of Programs, was recognized to explain the development process and functions of the report, and to answer questions.</p>	
<p>c. <u>Physician Manpower Training Commission, Oklahoma Medical Loan Repayment Program exit interview findings – Rebekah Rhoades, OU College of Public Health</u> Knoles advised the board that 39 physicians had entered the Oklahoma Medical Loan Repayment Program since 2013 with four having completed the two-year requirement, and noted that three of the physicians had continued their practices in their placement site. He recognized Rebekah Rhoades and she presented exit interview findings</p>	



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<p>detailing for the board data trends; analysis of influencing factors; opinions relating to strengths of program; opportunities for improvement; and feasibility of requirements.</p>	
<p>d. <u>FitnessGram presentation; FY 2017 report, FY 2018 action plan proposal – Fahad Kahn/Stephanie U’ren, Center for the Advancement of Wellness, Oklahoma State Department of Health</u> Knoles directed the board to their packet for the FY 2017 FitnessGram Report By the Numbers and FY 2018 action plan proposal, and recognized Fahad Kahn for a PowerPoint presentation. Kahn discussed the background and implementation of the FitnessGram program in Oklahoma providing statistics on reach of eligible schools and number of students; participation trends and correlations; assessment and performance standards; and data utilization stating that the Center for the Advancement of Wellness was currently in the process of developing an evaluation plan for the purpose of assessing outcomes and overall program effectiveness.</p>	<p>Michelle Stephens exited at 1:15 p.m.</p>
<p>10. Public Information and Outreach Committee Report – Ken Rowe, Chair</p>	
<p>a. <u>Outreach activities update</u> Rowe highlighted recent outreach efforts including television appearances to promote awareness of Childhood Obesity Month in September; an op-ed that was penned by Director Woods that appeared in The Oklahoman in October; and a social video showcasing the work of doctors upon completion of their term with the Oklahoma Medical Loan Repayment Program, funded in part by TSET.</p>	
<p>b. <u>Sponsorships</u> Noting that sponsorships help to promote TSET’s goal of supporting efforts to improve health, increase awareness about the impact of healthy policy, and educate organizations about partnership opportunities, Rowe stated that 82% of the \$25,000 sponsorship and training grant budget had been encumbered with a detailed list available in the board packet.</p>	
<p>c. <u>Discussion and possible action on sponsorship eligibility guidelines and criteria</u> Rowe stated that the Public Information and Outreach Committee had reviewed and approved amendments to expand the TSET Sponsorship Grant Guidelines by including events that educate, promote or raise awareness about nutrition, fitness and physical activity, and referred the board to their packet for the specific changes.</p>	<p>Upon recommendation from the Public Information and Outreach Committee, the board voted unanimously to approve the updated sponsorship and grant eligibility criteria. (Absent: Michelle Stephens)</p>
<p>d. <u>Upcoming events</u> Rowe directed the board to their packet for a list of upcoming events noting that staff could provide further information on specific events.</p>	



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11. Election of Officers	
Benjamin stated that the current Chair and Vice-Chair were eligible for another term, and indicated their willingness to continue serving in that capacity. The board elected to retain the current slate of officers and thanked them for their continued service to the TSET board. Motion: Casey Killblane Second: Ken Rowe	The board voted unanimously to retain Don Millican as the TSET Board of Directors Chair and Bruce Benjamin as the TSET Board of Directors Vice-Chair for 2018. (Abstain: Bruce Benjamin) (Absent: Michelle Stephens)
12. New Business	
No new business.	
13. Public Comment	
No public comment.	
14. Adjournment	
Motion: Casey Killblane Second: Jim Gebhart	The board voted unanimously to adjourn and the meeting adjourned at 1:33 p.m. (Absent: Michelle Stephens)