



Oklahoma Tobacco Settlement Endowment Trust

Board of Directors

Regular Meeting

January 30, 2018

BOARD MEMBERS PRESENT: Bruce Benjamin; Jim Gebhart; Casey Killblane; Curtis Knoles; Don Millican; Michelle Stephens

BOARD MEMBERS ABSENT: Ken Rowe

TSET STAFF PRESENT: Julie Bisbee; Kathie Darr; Jonás Mata; Tessa North; Sjonna Paulson; Jennifer Treadwell; John Woods

GUESTS PRESENT: Greta Anglin, VI Marketing and Branding; Tim Berney, VI Marketing and Branding; Lyn Martin-Diehl, Attorney General's Office; Bill Pettit, Oklahoma State University 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 Chair, Don Millican, called the meeting to order at 10:00 a.m. and announced that TSET had met all Open Meeting Act requirements.	
2. Approval of Minutes of the November 14, 2017, Regular Board Meeting	
Millican asked the board if they had reviewed the minutes from the November 14, 2017, regular board meeting and if there were any corrections to be made. Hearing none, he called for a motion. Motion: Casey Killblane Second: Bruce Benjamin	The board voted unanimously to approve the minutes of the November 14, 2017, regular board meeting.
3. Proposed Executive Session to Discuss Evaluation of Executive Director	
Millican called for a motion to go into executive session for the purpose of discussing and evaluating the first year work performance of Executive Director John Woods. Motion: Jim Gebhart Second: Curtis Knoles	The board voted unanimously to go into executive session and executive session began at 10:09 a.m.
Return to Open Session	
Returning from executive session, Millican called for a motion for the board to return to open session and resume the meeting. Motion: Casey Killblane Second: Bruce Benjamin	The board voted unanimously to return to open session and open session resumed at 10:38 a.m.
4. Executive Director's Report	
a. <u>Legislative update</u> Stating that over 2,000 bills were filed prior to the January 18 legislative filing deadline, Woods noted that TSET would be monitoring 19 bills plus keeping an eye on shell bills as well as bills carried over from the previous legislative session still eligible for consideration. Additionally, he confirmed that seven proposed state questions	NOTE: Provide to board summary and talking points on proposed state questions that seek to modify TSET funding.



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<p>seek to change how TSET is funded or restrict what programs receive funding and discussed the limitations on the agency's ability to actively engage in support or opposition of a state question. He announced that TSET would be hosting a legislative webinar on February 9 for grantees and partners and reminded the board of the Governor's State of the State address on February 5 at noon.</p>	<p>Follow up with board on feasibility of planning session to craft strategy approach and unified message for engagement in state question discussions.</p> <p>Curtis Knoles exited at 10:45 a.m. Curtis Knoles entered at 10:47 a.m.</p>
<p>b. <u>Overview of Executive Director activities</u> Woods gave an overview of his recent activities and updated the board on his initiative to create dialogue with lawmakers by hosting 'legislative coffees' across the state.</p>	
<p>c. <u>General update on agency business</u> Reminding the board of their decision to postpone action on incentive grants slated for approval at the November regular board meeting pending availability of internal funding, Woods announced that TSET funds had been made accessible, and, with board approval, incentive grants would be awarded to finish out the 2017 grant year for the Healthy Communities and Healthy School incentive grant programs. He stated that the program was currently suspended for the remainder of FY 2018 and various scenarios were being considered to determine the feasibility of reinstating the program for FY 2019. He advised the board that OSDH dollars previously used to fund the incentive grants program would be distributed back after an agreement on the dollar amount could be reached. Woods discussed corrective statements from the tobacco industry, noting that television ads will continue to run through the year and tobacco companies are expected to include warning statements on cigarette cartons in the upcoming year. He announced to the board that the grants management position had been filled and interviews to fill a recently vacated program officer position were underway. Woods indicated that the board could expect a presentation to commemorate the 10 year anniversary of Tobacco Stops With Me at the March meeting.</p>	
<p>5. Board of Investors' Report – Lisa Murray, Chief Investment Officer, Oklahoma State Treasurer's Office</p>	
<p>Lisa Murray was recognized via videoconference to present on behalf of the Board of Investors. She identified the endowment's final FY 2017 certified earnings at \$39,736,415 and total market value of \$1.1 billion. Acknowledging the opinion report issued by Finley & Cook at the November meeting, she notified the board that a request for proposal had been issued for auditing services and that a recommendation would be made at the joint meeting of the Board of Directors and Board of Investors in February, and encouraged attendance.</p>	<p>NOTE: Seek clarification from Lisa Murray on negative one year internal rate of return on Czech private debt account and provide to board.</p> <p>Casey Killblane exited at 11:27 a.m.</p>



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January 30, 2018

	Casey Killblane entered at 11:32 a.m.														
6. Agency Operations Committee Report – Jim Gebhart, Chair															
<p>a. <u>Budget to Actual; Operating and Programs FY 2017</u> Gebhart stated 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 reported that as of December 31, the FY 2018 operating budget was on track with 41% expended; and the FY 2018 programs budget was at 28% expended indicating an overall good spend rate.</p>															
<p>c. <u>Budget Revision; Operating and Programs FY 2018</u> Summarizing the budget revision requests put forth by the Agency Operations Committee, Gebhart referred the board to their packet for a comprehensive list of adjustments and requested board approval.</p>	Upon recommendation from the Agency Operations Committee, the board voted unanimously to approve requested revisions to the FY 2018 operating and programs budgets for an overall decrease of \$184,250.														
7. Program Development Committee Report – Bruce Benjamin, Chair															
<p>a. <u>Discussion and possible action on Healthy Communities Incentive Grants</u> Benjamin acknowledged seven applications for Healthy Communities Incentive Grants and requested board approval.</p> <table border="0"> <tr> <td>City of Hooker</td> <td>\$4,000</td> </tr> <tr> <td>City of Morris</td> <td>\$4,000</td> </tr> <tr> <td>City of Muskogee</td> <td>\$70,000</td> </tr> <tr> <td>Town of Coalgate</td> <td>\$20,000</td> </tr> <tr> <td>Town of Hartshorne</td> <td>\$20,000</td> </tr> <tr> <td>Town of Krebs</td> <td>\$20,000</td> </tr> <tr> <td>Town of Webbers Falls</td> <td>\$20,000</td> </tr> </table> <p>Motion: Casey Killblane Second: Jim Gebhart</p>	City of Hooker	\$4,000	City of Morris	\$4,000	City of Muskogee	\$70,000	Town of Coalgate	\$20,000	Town of Hartshorne	\$20,000	Town of Krebs	\$20,000	Town of Webbers Falls	\$20,000	The board voted unanimously to approve the slate of Healthy Communities Incentive Grants totaling \$158,000.
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<p>b. <u>Discussion and possible action on Healthy Districts Incentive Grants</u> Benjamin acknowledged twelve applications for Healthy Districts Incentive Grants and requested board approval.</p> <table border="0"> <tr> <td>Achille Public Schools</td> <td>\$3,000</td> </tr> <tr> <td>Agra Public Schools</td> <td>\$3,000</td> </tr> <tr> <td>Cherokee Public Schools</td> <td>\$3,000</td> </tr> </table>	Achille Public Schools	\$3,000	Agra Public Schools	\$3,000	Cherokee Public Schools	\$3,000	The board voted unanimously to approve the slate of Healthy Districts Incentive Grants totaling \$55,000.								
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<p>Cimarron Public School \$3,000 Clayton Public School District \$3,000 El Reno Public Schools \$10,000 Grand View School \$2,000 Justice Public School \$1,500 Maryetta Public School \$2,000 Ponca City Public Schools \$20,000 South Rock Creek Public School \$1,500 Tupelo Public Schools \$3,000</p> <p>Motion: Curtis Knoles Second: Jim Gebhart</p>	
<p>c. <u>Discussion and possible action on Healthy Schools Incentive Grants</u> Benjamin acknowledged two applications for Healthy Schools Incentive Grants and requested board approval.</p> <p>Coolidge Elementary \$3,000 Monroe Elementary School \$3,000</p> <p>Motion: Casey Killblane Second: Curtis Knoles</p>	<p>The board voted unanimously to approve the slate of Healthy Schools Incentive Grants totaling \$6,000.</p>
<p>8. Program Implementation Committee Report – Curtis Knoles, Chair</p>	
<p>a. <u>Health communications update</u> Knoles 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 noting participation at the Agents of Change Summit 2018 in February.</p>	
<p>(i). <u>Discussion and possible action on RFP #092-12, TSET comprehensive media services contract</u> Knoles stated that upon recommendation from the RFP review panel, the Program Implementation Committee was seeking approval from the board to award the TSET media services contract for FY 2019, with option to renew annually for five years, to VI Marketing and Branding. Knoles recapped the bidding process and number of responses submitted, and answered questions related to the review panel composition and scoring process seeking clarification from TSET’s Director of Health Communication, Sjonna Paulson.</p> <p>Motion: Bruce Benjamin Second: Curtis Knoles</p>	<p>The board voted unanimously to approve the motion to award the FY 2019 media services contract to VI Marketing and Branding with the option to renew annually for five years.</p>
<p>b. <u>FY 2017 summary reports</u></p>	



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<p>Knoles provided highlights from FY 2017 annual reports on the Stephenson Cancer Center, Oklahoma Tobacco Research Center, Oklahoma Hospital Association and the Oklahoma Center for Adult Stem Cell Research directing the board to their packet for full report summaries.</p>	
<p>c. <u>Healthy Living Program performance report update</u> Knoles gave performance updates on the Johnston County Health Department and People Incorporated noting the responsiveness of both grantees in receiving direction and guidance from TSET program officers and stating that improved performance was within reach through achievement of assigned tasks. He deferred to TSET’s Director of Programs, Jonás Mata, to communicate to the board the preliminary impact of the performance report initiative and overall grantee response.</p>	
<p>9. Public Information and Outreach Committee Report</p>	
<p>a. <u>Outreach activities update</u> Director Woods was recognized to present a report from the Public Information and Outreach Committee on behalf of Ken Rowe. He highlighted outreach efforts to promote the Oklahoma Tobacco Helpline during the Great American Smokeout in November and various other news and print stories focused on Oklahoma’s historic low rate of adult smoking and TSET’s continued work to improve the health of rural residents.</p>	
<p>b. <u>Sponsorships</u> Stating that TSET’s sponsorship and training grant category had seen steady demand, Woods confirmed that 96% of the \$25,000 budget had been allocated and that an increase proposal for the FY 2019 budget would be brought to the board for consideration. He reminded the board that all sponsorship and grant requests are reviewed by staff and approved by the Executive Director and Board of Directors Vice-Chair.</p>	
<p>c. <u>Upcoming events</u> Reminding the board of the February 21 joint meeting with the Board of Investors, Woods directed the board to their packet for a complete list of other upcoming events and training opportunities.</p>	
<p>10. “Impacting Health Through a Land-Grant Institution” – Kayse Shrum, D.O., President, OSU-CHS</p>	
<p>Dr. Shrum was recognized and thanked the board for hosting their meeting in Tulsa and for the opportunity to present on behalf of the OSU Center for Health Sciences. She discussed the Oklahoma Cooperative Extension Service focusing on the health extension model and the university’s reach to the community. She credited the transfer of research and knowledge to the influence of behavior change and patterns they had seen throughout the state. She entertained board questions and engaged in dialogue.</p>	
<p>11. New Business</p>	



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No new business.	
12. Public Comment	
No public comment.	
13. Adjournment	
Motion: Casey Killblane Second: Curtis Knoles	The board voted unanimously to adjourn and the meeting adjourned at 1:17 p.m.