

# VTSF

## VIRGINIA TOBACCO SETTLEMENT FOUNDATION

### **Board of Trustees Meeting Minutes January 17, 2006**

#### **Members present**

Sanjeev K. Aggarwal, M.D., Richard Bennett, MD, Daniel Cawley, Edda Marie Collins, Kevin R. Cooper, M.D, Richard A. Crittenden, Pamela J. Daffern, M.D., Rickie E. Fulcher, Lolly Gilmore, Patrick Hughes, Delegate William Janis, Maria D. Kelly, MD, James L. McDaniel, MD, Delegate John O'Bannon, III, MD, Robert Stroube, MD, Tobin G. Van Ostern.

#### **Members not present**

Curtis Coleburn, Audrey Douglas-Cooke, RN, Jose Dimas, Senator Emmett W. Hanger, Jr., Debra Keith, Rakesh Kukreja, PhD, Senator John Watkins.

#### **Staff**

Rita Angelone, Lisa Brown, Eloise Burke, Terri-ann Brown, Jeannette Coleman, Donna Gassie, Wilma Jordan, Judy Link, Jennifer Martin, Charlie McLaughlin, Jr., Sandra Whitley Ryals, Danny Saggese, and Marge White.

#### **Counsel**

Teresa Griggs

#### **Called to order**

Rickie Fulcher called the meeting to order at 3:45 p.m.

Rickie announced that the Reception will immediately follow in the Magnolia Room.

The VTSF Staff was introduced.

Sandra Whitley Ryals introduced Edda Marie Collins as the new board member to Virginia Tobacco Settlement Foundation.

#### **Minutes**

Motion to approve the minutes: Dr. Robert Stroube

Second: Delegate William Janis

Vote: Unanimous in favor

### **Chairman's Comments**

A new year has dawned and with it comes new challenges which must be recognized and met in a positive light.

Events change and within those changes our life and work can be affected. Does this mean that we have to abandon our goals and change directions, or does it mean that we re-evaluate and meet those changes head on?

We must remember what has gotten us to where we are today. Was it just circumstance or was there a method and plan involved? How did we accomplish the goals we have successfully achieved?

We need to look back and rely on our method of success to help shape our future. A success which was founded in working equally as individuals within our area of expertise but coming together as a team in establishing our goals and the path on which to reach those goals.

We must understand, recognize and utilize our individual talents. By so doing we will be able to work within our goals while at the same time lending support and encouragement to others.

While as a Board we are extremely fortunate to have a very competent and caring "Staff" working to bring success to the VTSF. We also must recognize and understand that it is our task to set Policy and establish directives for the staff to follow.

We are unique in that we are directly involved in the operational process of the VTSF and given this unique responsibility we must be held accountable to be involved and demonstrate publicly that we are in support of this organization and its work.

We have turned a new year; let's work to make it a year filled with hope for the young people of Virginia as we continue to work toward eliminating underage smoking and tobacco use.

### **Director's Report**

#### **WELCOME!**

Welcome to the first VTSF Board Meeting of the New Year! I hope that everyone had a wonderful holiday season. Since we last met in October, we've been busy at VTSF in all program areas, and I am pleased to summarize a few of the many highlights for your reference.

#### **ANNUAL CONFERENCE**

VTSF hosted its Fourth Annual Grantee Training Conference on October 12 – 13, 2005. Approximately 200 people attended the conference, which kicked-off with a pre-conference dinner on October 11, 2005. The dinner was attended by researchers from Virginia's universities and representatives from a variety of community based

organizations and schools across Virginia. The conference's opening session included a panel discussion by researchers from James Madison University, George Mason University and Virginia Commonwealth University. The discussion highlighted the outcomes of research and evaluation being conducted for VTSF. VTSF grantees were especially proud to learn that statewide grant programs were effective in making positive changes in program participants during the 2004 – 2005 grant years.

Over the two day conference, 18 break out sessions were offered on a variety of topics including environmental tobacco prevention strategies, effective classroom management strategies, grant writing, fund development, fidelity and adaptation of science based program, second hand smoke, tobacco dependence, etc. The conference's closing plenary session highlighted a new public health theory called "social branding." Social branding uses commercial marketing strategies to create positive behavior change. Additionally, 13 vendors exhibited at the conference, which provided participants the opportunity to receive additional information about 15 tobacco prevention programs. The VCU Survey and Evaluation Research Laboratory recently prepared an evaluation report based on participant surveys of each session offered at the conference, and informal feedback was very positive.

#### PROGRAMS

Regional Advisory Boards met in November and December to review proposals submitted in response to VTSF's first 3 year RFP. A record number of proposals were received. Approved proposals will begin their programs July 1, 2006 and continue through June 30, 2009.

VTSF will be releasing a one year, non-renewable program RFP on January 19, 2006. Funded programs will begin July 1, 2006 and end June 30, 2007.

In addition, the preliminary results are back from Virginia Commonwealth University's Survey Evaluation Research Laboratory on the 2004-2005 grant cycles. As you are aware, each of the 95 funded grantees participated in a comprehensive statewide evaluation conducted to determine how effective these programs were. Students in grades six through twelve were given pre-tests and post-tests which measured:

- knowledge about the harmful effects of tobacco;
- the perceived benefits of remaining tobacco free;
- self-efficacy;
- current tobacco use; and
- intentions to smoke.

Preliminary results revealed that, among sixth through twelfth grade program participants, there was a statistically significant improvement in all of the five core measures.

Additionally, youth in grades two through five were given pre-tests and post-tests which measured:

- knowledge about the harmful effects of tobacco; and
- intentions to smoke.

Preliminary results revealed that, among second through fifth grade program participants, there was a statistically significant improvement in knowledge about the harmful effects of tobacco. While there was no significant change in participants' intentions to smoke, this is likely due to the fact that the scores on this measure were so low to begin with. This indicates that the participants had little to no intention of smoking even before the program was presented. Additionally, participants in this age range showed stronger rejection to smoking and had a stronger ability to resist peer pressure after completing the programs.

## RESEARCH

The research RFP closed on December 14, 2005. Sixteen proposals were received and have been sent to the review team, consisting of a variety of researchers and research program administrators from other states. The reviewers will complete individual scoring by February 28, 2006 and will meet in March to prepare their recommendations for the Board. These recommendations will be forwarded in the May board package.

## MARKETING

Recently VTSF received the results of the eighth wave of our bi-annual field study conducted by the Southeastern Institute of Research. After 3 ½ years, the awareness level of the VTSF's *ydouthink* Campaign has remained impressively high at 77% among the target audience: kids in Virginia ages 10-17. The Campaign's awareness has now been consistently strong (between 74% and 78%) for 24 consecutive months. Some additional key findings from the study include:

- The *ydouthink* campaign continues to appeal to youth overall, with a very high "ease of understanding" (94%) and "believability" (92%).
- There was an increase in youth that would consider *ydouthink* to be a friend (54%, up from 45% in the spring).

In October, the third round of Y St. (Street) Trainings were conducted by the VTSF's marketing initiative: *ydouthink*... *Ydouthink* found 487 high school students who know what's hot and what's not around the state, and trained them to become official members of Y St. These youth will now get to work with a local manager to promote *ydouthink* at all of the places that they hang out: like concerts, competitions, games, malls, and shows. Now that the third set of Y St. trainings are complete, there are nearly 1,000 youth statewide that are advocating amongst their peers for the *ydouthink* brand and tobacco use prevention.

Last month marked the conclusion of the "ydouthinkucandance" competition. The tactical purpose for creating this month long project was two-fold: 1) to provide a strategic transition into the campaign for newly trained Y St. members, and 2) to develop *ydouthink* branded events for the end of the calendar year. "ydouthinkucandance" has consisted of numerous try-outs over the previous few weeks in each of four different regions across the state. Throughout this project, Y St. members have been actively involved in promotions, participation, and voting to support their favorite dancers. Over 900 total Virginia youth participated in and attended the "ydouthinkucandance"

competitions. All of the performances from the events can be viewed and voted on at [www.ydouthink.com/ucandance](http://www.ydouthink.com/ucandance).

### SWAM

VTSF continues to utilize small, women-owned, and minority businesses (SWAM) whenever possible and encourages businesses to register with The Virginia Department of Minority Business Enterprise (DMBE) and eVA. During the 4<sup>th</sup> quarter of 2005, we spent approximately \$1.35 million with small businesses (82.49%) and women owned businesses (4.35%). We continue to look for ways to increase utilization of minority owned businesses.

### TRAINING

In an effort to help increase tobacco control knowledge and build capacity among statewide tobacco use prevention and substance abuse professionals throughout the Commonwealth, VTSF conducted a training interest survey with over 350 current and potential grantees. We are very pleased with the number of responses (approximately 50% return) and information gained to project the training calendar for 2006.

VTSF has contracted with James Madison University (JMU) to present regional one day training sessions of three levels of Prevention Basics Courses during 2006. The courses are based on the previous offerings sponsored by the Governor's Office for Substance Abuse Prevention and will use tobacco examples and activities. Additional regional training will be offered by the Tobacco Technical Assistance Consortium (TTAC). Based on the survey results, TTAC will present tobacco control basics and other selected courses in targeted locations in the state.

### YOUTH TOBACCO SURVEY

The Youth Tobacco Survey data collection is complete. The data sheets are being compiled into electronic data sets by the Centers for Disease Control and Prevention. Once the data sets are returned to VCU, the data will be weighted and data tables run. From there, a summary page will be prepared for immediate distribution, with a final comprehensive report completed later in the spring.

### BUDGET REQUEST UPDATE

VTSF received a lot of positive feedback from the Secretary's office and the Department of Planning and Budget. Unfortunately, our requests did not make it into Governor Warner's budget, despite our best efforts. We are working further with Senator Watkins on budget amendments for additional consideration during this General Assembly Session.

Recent articles underscore the need to continue focusing on the investment in Virginia's future by increased funding for youth tobacco prevention. According to the U.S. Centers for Disease Control and Prevention, Virginia should be spending about \$39 million to discourage tobacco use from the \$283 million from the federal tobacco settlement. Virginia is ranked 24<sup>th</sup> in the nation, currently spending \$12.8 million.

We know that tobacco use continues to be the leading preventable cause of death in Virginia and exacts an enormous toll on the state's economy. Tobacco costs Virginia \$1.92 billion a year in health care bills, including \$369 million under Medicaid.<sup>[1]</sup> By preventing children from using tobacco products, state tobacco-prevention programs lock in enormous savings over the lifetime of each person who does not begin smoking. On average, the lifetime healthcare costs of smokers total at least \$12,000 more than nonsmokers, despite the fact that smokers do not live as long. Reducing tobacco use among youth can effectively save the state billions in long-term healthcare costs from tobacco-related diseases and expenditures for lost productivity.

### THANK YOU!

Thank you so very much for your involvement with these important issues! We sincerely appreciate your support for VTTSF's youth tobacco prevention initiatives!

### Committee Reports/Business:

#### Programs:

Patrick Hughes requested that Alliance for Families & Children of Central Virginia, Lynchburg be added to the list of Program Funding Recommendations bringing the total to 51.

Patrick added that the mini grant application for regional priority projects will be issued in February. Organizations will be able to apply for up to \$4,000 for small local projects. An executive committee of RAB's will review applications.

A recognition event for RAB members in April will take place the day prior to the statewide review. More information will be distributed to the Board.

The next RFP will be issued Thursday, January 19, 2006 offering approximately \$1.5 million for one year grants. \$1 million for one year grants and \$500,000 is non obligated money.

Motion; to approve 51 Program Funding Recommendations for RFP #852P006 by Patrick Hughes  
Second: Dr. Kevin Cooper  
Vote: Unanimous in favor

#### Research

Dr. Maria Kelly reported that there are 16 proposals for the new round of Research Grants. Prior original grants were given an extension. These are all new, fresh proposals.

VCU Research Conference will be held in Richmond, March 29 and 30, 2006. All are encouraged to attend to see some of the work that is being funded by VTTSF.

#### Marketing

Danny Saggese reported that the campaign awareness continues to be strong for 24 consecutive months at the 74% - 78% range.

Last October the third round of the Y Street training had 491 youth to participate in four different trainings. The goal was 360. The fourth round of Y Street training is scheduled for April 21, 22, 28 and 29.

### **Budget**

Wilma Jordan, Business Manager reported that as of December 31<sup>st</sup> cash on hand is \$2.3 million. It is anticipated that VTSF will still need to draw upon their line of credit in March 2006.

Motion: approval of FY2007 – 2009 budget by Dr. Maria Kelly.

Second: Dr. James McDaniel

Vote: Unanimous in favor.

### **Public Comment**

None

### **Old Business**

#### **MSA – Commission Securitization Update**

Margaret White reported back regarding the question posed by Senator Watkins at the last meeting related to the Tobacco Indemnification and Community Revitalization Commission (TICRC) securitization:

The Tobacco Indemnification and Community Revitalization Fund receives an allocation of 50% of Virginia's MSA funds, for use by the TICRC. The *Code of Virginia* defines this allocation as "fifty percent of the annual amount received under the Master Settlement Agreement by the Commonwealth, or that would have been received but for a sale of such allocation pursuant to an agreement, between the commencing and ending dates specified in the agreement."

In 2002, the *Code of Virginia* was amended to create the "Tobacco Indemnification and Community Revitalization Endowment." The *Code* clearly specifies that the "Endowment shall receive the proceeds from any sale of all or any portion of the Commission Allocation..." The Treasury Board serves as the trustee of the Endowment and may hire an independent investment manager to assist with the Endowment. The Treasury Board is also responsible for authorizing transfers from the Endowment to the TICRC Fund for use by the TICRC.

Anne Marie Cushmac in the Office of the Attorney General provided this summary in response to Senator Watkins' question regarding the securitization of TICRC's funds and any potential affect it may have on VTSF's funding, now and in the future: "Pursuant to the securitization agreement, of the total MSA funds allocated to the Commonwealth, 75% off all MSA funds are to be paid directly to the Commonwealth and 25% are to be paid directly to JPMorgan/Chase, the Trustee."

The amendments to the *Code* did not change the overall percentage allocation to the TICRC, which remains at 50% of the total, including any portion securitized and directed to the Endowment with subsequent transfers to the TICRC Fund. The amendments did not affect the percentage allocation to VTSF, which remains at 10%.

Executive Director's Salary

**Closed Meeting**

**Motion:** "In accordance with the provisions of Section 2.2-3711 (A) (1) of the Code of Virginia, I move that the Board of Trustees go into closed meeting for the purpose of discussion or consideration of the assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of the Virginia Tobacco Settlement Foundation.

Additionally, I move that Board Counsel, namely Teresa Griggs, attend the Closed Meeting because her presence is deemed necessary and her presence will aid the Board in its consideration of this matter." by Delegate Bill Janis.

Second: Dr. Robert Stroube

Vote: Unanimous in favor

**Motion:** approve the salary of the Executive Director of the Virginia Tobacco Settlement Foundation set at sum of \$96,155 per year by Delegate Bill Janis.

Second: Dr. Maria Kelly

Vote: Unanimous in favor.

Rickie Fulcher stated, "I move the adoption of the following resolution:

**WHEREAS**, the Virginia Tobacco Settlement Foundation has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

**WHEREAS**, Section 2.2-3712 of the Code of Virginia requires a certification by this Foundation that such closed meeting was conducted in conformity with Virginia Law:

**NOW, THEREFORE, BE IT RESOLVED**, that the Virginia Tobacco Settlement Foundation certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Foundation in the closed meeting.

All those who certify, to the best of your knowledge that the Board of Trustees (or Executive Committee) heard, discussed and considered only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, only such public business matters as were identified in the motion by which the Closed Meeting was convened, please say "Aye." Any member who believes that there is a departure from the motion and hearing, discussion and consideration requirements shall so state prior to the vote, indicating the substance of the departure that, in his judgment, has taken place.

Members absent were: Curtis Coleburn, Audrey Douglas-Cooke, Jose Dimas, Senator Emmett Hanger, Jr., Debra Keith, Dr. Rakesh Kukreja, Senator John Watkins, along with board members absent from the entire meeting.

**Motion:** to reconvene from closed session by Dr. Maria Kelly

Second: Dan Cawley

Vote: Unanimous in favor.

## **New Business**

### **Board Liaisons**

Marge White reported that VTSF has Board of Trustees (BOT) members serve as liaisons to the Regional Advisory Boards (RAB). As a liaison, the BOT member attends RAB meetings and takes on various roles. RABs meet a maximum of four times per year; the schedule and number varies by region.

Some advantages of having a BOT liaison are described by Grant Program Administrators:

- Members take an active role in relaying information to regional board members and are routinely part of the meeting agenda to provide an update from the state perspective. In turn, regional board members appreciate that larger perspective and are reminded of how their decisions/recommendations are a significant part of the statewide picture.
- BOT members attend regional meetings and offered clarification when needed about priorities for locally funded programs.
- Members listen to the small group and large group discussions during the review meetings to better understand the scoring and funding recommendation processes. This demonstrates to regional board members that the BOT is committed to our grant review system and have a continued desire for connection between the state and regional boards.
- The BOT members become vested in the community programs by attending the meetings and hearing the grantee presentations about programs in action.

### **Current BOT Liaisons**

East: Dr. Jim McDaniel

West: Rickie Fulcher

Southwest: Debbie Keith

### **BOT Liaisons Needed**

Northeast

North Central

Northwest

North

Central

Southside

Pat Hughes volunteered to serve as the Central RAB liaison. A request was made that staff prepare a list of upcoming meetings and locations and distribute it to the board. Members interested in serving as a liaison should contact Marge White.

### **Announcements**

Next Board Meeting: May 16, 2006

Delegate O'Bannon recommended the introduction of legislation at this General Assembly to allow the Board to appoint the Executive Director who shall serve at its pleasure.

**Motion:** to support the introduction of a bill to amend and reenact §§ 2.2-106 and 32.1-358 of the Code of Virginia, to change the authority to appoint the executive director from the Governor to the board.

Second: Delegate Bill Janis

Vote: Unanimous in favor

### **Adjournment**

**Motion:** adjourn meeting by Rickie Fulcher

Second: Patrick Hughes

Vote: Unanimous in favor

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