

VTSF

VIRGINIA TOBACCO SETTLEMENT FOUNDATION

Board of Trustees Meeting Minutes May 21, 2008

Members present

Curtis Coleburn (left at 1:00), Edda Collins Coleman, Kevin R. Cooper, M.D, Richard A. Crittenden; Rickie E. Fulcher, Don Gehring, Senator Emmett W. Hanger, Jr., John O. James, Jr., Delegate William Janis (arrived at 1:00), James McDaniel, MD, Delegate John O'Bannon, III (left at 1:45), Karen Remley, M.D., Rosa I. Villoch-Santiago (left at 1:10) and Claudia Tellez (arrived at 12:45).

Members not present

Sanjeev K. Aggarwal, MD, Jose Dimas, Patrick Hughes; Rakesh C. Kukreja, Keith H. Newby, Senator Ralph Northam, MD, Carlos Quintela.

Staff

Rita Angelone, Lisa Brown, Terri-ann Brown, Eloise Burke, Richard Foster, Donna Gassie, Wilma Jordan, Marty Kilgore, Charlie McLaughlin, Jr., and Danny Saggese.

Counsel

Stephanie L. Hamlett, Deputy Attorney General

Called to order

Rickie Fulcher called the meeting to order at 12:20 p.m.

Rickie Fulcher welcomed three new board members: Rosa I. Villoch-Santiago, Dr. Karen Remley and Claudia Tellez.

Senator Ralph Northam will replace Senator John Watkins as the senate urban interest. Rickie Fulcher thanked Senator Watkins for his service on the board.

Minutes

Motion: to approve the minutes as presented: Senator Emmett Hanger, Jr.

Second: Dr. Kevin Cooper

Vote: Unanimous in favor.

Budget Report

FY08 Year-to-Date Financial Report

Wilma Jordan presented the Actual Expenditures vs. Budget. This statement shows the actual expenses for fiscal year 08 through April 2008, as well as the total FY2008 budget.

Wilma Jordan also presented the Foundation Budget for FY2009 previously approved by the board but must be reaffirmed prior to a new fiscal year.

Discussion

Senator Emmett Hanger, Jr. asked if it would be appropriate to amend the budget to reflect the amount withheld.

Delegate John O'Bannon, III questioned why the \$1.7 was withheld and why is it showing in the budget.

Stephanie Hamlett, Deputy Attorney General replied that efforts are on going to negotiate with the tobacco companies to come to an understanding of what amount of money the VTSF will be getting. At this point the monies are going into an escrow account.

Motion: to re-approve the Foundation Budget for FY2009 as is, but to reflect the withholding amount in a footnote: Dr. James McDaniel.

Second: Dr. Kevin Cooper

Vote: Unanimous in favor.

FY09 Budget

Wilma Jordan recommended that a three year proposed budget for FY2010 through FY2012 be presented at the September board meeting.

Motion: staff to make recommendations to the Executive Committee to review and bring to the full board September meeting: Senator Emmett Hanger, Jr.

Second: Curtis Coleburn

Vote: Unanimous in favor.

Committee Reports/Business

Personnel/Policy/Bylaws

Code of Ethics

Curtis Coleburn reported the foundation has developed a Code of Ethics which was reviewed by the Personnel/Policy/Bylaws Committee.

Motion: to accept the Code of Ethics: Curtis Coleburn

Second: Senator Emmett Hanger, Jr.

Vote: Unanimous in favor.

Curtis Coleburn reported that the Bylaws require the election of officers at the first meeting after July 1st. Therefore, we will be electing a Chair and Vice-chair at the September meeting for the next year. In addition, to the officers we will also be electing one executive committee member to replace the vacating chair held by Senator John Watkins.

Program Committee

Dr. James McDaniel reported that the Program Committee reviewed the list of proposals recommended for funding. Sixty-two proposals were reviewed. The Statewide Review Panel recommends Forty-two proposals, for one-year grants, which will begin July 1st, 2008.

Motion: to approve the recommendations of the Regional Advisory Boards and the Program Committee of VTSP, and award grants to the 42 organizations listed for final recommendations from the one-year program grant award RFP#852P009, for July 1, 2008 through June 30, 2009. The total amount not to exceed \$1,638,631.00: Dr. James McDaniel.

Second: Senator Emmett Hanger, Jr.

Vote: Unanimous in favor.

Donna Gassie, Director of Programs reported on additional contractual approvals for the following:

Enforcement: Department of Alcoholic Beverage Control: \$350,000

The Department will complete compliance checks with retailers throughout the state to identify those that are not in compliance with Virginia's youth access law. It will provide VTSP with an annual report of the number of checks completed as well as the non-compliance rate.

Evaluation: Virginia Commonwealth University: \$265,000

The Community Health Research Initiative at VCU, in collaboration with the Survey and Evaluation Research Laboratory at VCU, will continue to coordinate the statewide program evaluation process of VTSP program grantees. VCU will coordinate pre-and post-surveys with each grantee, enter and analyze data, produce individual grantee reports of results, and produce a statewide report of results.

Youth Tobacco Survey (FY09): \$55,000

The Community Health Research Initiative at VCU, in collaboration with the Survey and Evaluation Research Laboratory at VCU, will conduct the Youth Tobacco Survey in the fall of 2009. VCU will work with the Centers for Disease Control and Prevention to obtain a random sample of Virginia schools within which the survey will be conducted. In the spring of 2009, VCU will distribute initial materials to the selected sample of schools to gain approval for participation for the fall administration.

Motion: Accept Enforcement, Evaluation, and Youth Tobacco Survey contractual proposals:
Delegate John O'Bannon, III.

Second: Edda Collins Coleman

Vote: Unanimous in favor.

Don Gehring abstained from voting on both the VCU Evaluation and Youth Tobacco Survey contracts.

Recession: at 12:55 for a board picture.
Reconvened: at 1:05

Marketing

Danny Saggese, Director of Marketing, presented the newest television commercials created for the *ydouthink* campaign, entitled: Kiss, Meatbelt, and Revolution. A discussion ensued regarding the conscience effort for these spots to position the *ydouthink* brand with the same identity that many at risk youth seek: being a socially successful teenager. This identity was discovered during the most recent round of youth research, and represents the best opportunity for *ydouthink* to change attitudes and behaviors among its focus market.

Mr. Saggese reported on marketing contracts recommended for renewal:

Barber Martin Advertising

Contract Number: 8520176

Renewal Amount: \$4,000,000

Continued implementation of the Virginia Tobacco Settlement Foundation's current marketing initiative: the *ydouthink* Campaign. This includes the development of new creative concepts and ideas, the production of ideas into finished advertising deliverables, and the purchasing of media to place current and new advertisements in various medium outlets.

This past year, BMA has helped the *ydouthink* Campaign maintain a strong awareness level of 76% among 10-17 year olds in Virginia through successful new creative and savvy media buying.

Rescue Social Change Group

Contract Number: 8520177

Renewal Amount: \$800,000

Continued implementation of the Virginia Tobacco Settlement Foundation's current street marketing initiative that supports the *ydouthink* Campaign. This includes the scheduling and managing of all campaign events; the employment of personnel to conduct events; the training and management of youth volunteers; and the development and implementation of new concepts for reaching youth.

Rescue maintains the *ydouthink* brand extension "Y St." which now has over 1800 youth members statewide that will be spreading tobacco prevention knowledge through their social networks.

Rescue Social Change Group

Contract Number: 8520348

Award Amount: \$225,000

Implementation of the Virginia Tobacco Settlement Foundation's current interactive initiative of the *ydouthink* Campaign: www.ydouthink.com. This includes website development and

management, hosting, interactive media development, and interactive media planning/purchasing/placement.

Rescue developed www.veeay.com, a social networking system specifically for 10-15 year olds in Virginia. It allows tweens to talk to their friends and other kids at their school online, while providing VTSF the opportunity to expose a captive audience to the marketing campaign's tobacco prevention message as part of Veeay's online culture.

Southeastern Institute of Research

Contact Number: 8520179

Renewal Amount: \$190,000

Continued implementation of the Virginia Tobacco Settlement Foundation's current evaluation efforts associated with the *ydouthink* Campaign. This includes conducting a tracking survey twice a year, analyzing data and preparing reports for each survey, as well as providing statistical analysis of other campaign initiatives.

Motion: Accept contracts recommended by the Marketing Committee for renewal: Senator Emmett Hanger, Jr.

Second: John James, Jr.

Vote: Unanimous in favor.

Research

Dr. Kevin Cooper reported that there is data from the youth tobacco survey suggesting that youth tobacco use is on the decline.

The Research Committee will be discussing prior to the next board meeting a general review of the granting process to request a proposal and make a recommendation to the board to renew it very similarly to the way it has been done in the past years.

Public Comment

Keenan Caldwell of the American Cancer Society thanked all of the General Assembly representatives for their support. The numbers and the success of the Foundation have proved the need to continue the effort for additional funding every single year.

David DeBiasi, RN, BSN of the American Lung Association added that the healthcare crisis will make bringing the youth prevention classes easier so that this local board will continue.

Chairman's Comments

It has been an interesting beginning to 2008. As each of you know, we attempted to secure funding of the total balloon payment from the Master Settlement Agreement, which would have meant a substantial increase in our annual budget. Several worked hard on this effort, but in the short term failed, not through lack of trying but simply due to the current economic state of the Commonwealth. I thank each of you for your efforts, phone calls and emails, and personal visits to our legislators were well appreciated. In the long run, I truly believe we scored a victory within the fact that our name, our mission and our supporters are better known on the hill.

We have some challenges facing us due to funding issues. Those challenges not only affect the budget but they affect children. This requires us to be ever more vigilant in our task so that whatever paths we take, we take the ones which will benefit the most children. Dollars are precious but children are priceless.

We are going to have to make some hard decisions on programs, marketing, and research, but with staff input and direction, I know that we can make those decisions based on sound judgment and common sense.

I do not mean to paint a picture of doom; in fact I believe that we are painting a picture of hope. Hope based on the knowledge, not the belief, but the knowledge that what we are doing as a Foundation on a day to day basis is saving lives. Lives which one day will grow up in a society that will not have to be dealing with health issues related to smoking, second hand smoke, or other tobacco usage. I look forward to that day and truly believe it will happen within the lifetime of my children which will mean that my grandchildren will grow up never being affected by tobacco.

So while road blocks come our way causing us to have to detour, we can stand firm in the knowledge that each of us are making a difference.

As you may know this will be my last meeting as your sitting chair. I have appreciated all the support and confidence you have given me over the past several years while in this position, and I look forward to continuing to work with each of you on this Board. I am blessed to be a part of this wonderful Foundation and to have the privilege of meeting and working with people who are dedicated to helping protect and improve the quality of life for us all.

Thank you for making a difference in my life. God Bless each and every one of you.

Director's Report:

PROGRAMS:

On January 15, RFP #852P009 was released. Once again, a Best Value RFP was used to allow for more flexibility and an extended reach when awarding grants to organizations across the state. This funding was for one-year grants to schools, community service boards, community programs, faith-based programs and other organizations working with youth. Approximately \$1.75 million was available for grants up to \$75,000 each. Mandatory proposal development training was required of all organizations submitting proposals under the RFP. These took place in Blacksburg (February 4), Chantilly (February 6) and Williamsburg, (February 11). Over 150 people attended the all-day trainings. Evaluations were consistently high and attendees found the information very helpful. Conference calls were also conducted with program vendors and potential grantees to help potential grantees prepare for proposal submissions. Proposals were due March 19. The review panel met on April 22 in Staunton to discuss the proposals submitted. Four representatives from each of the four Regional Advisory Boards participated in the panel to make funding recommendations for the sixty-two proposals received. Of these, forty-eight were recommended for grant awards and pending further clarification and negotiation of contracts. Final recommendations were forwarded to the Program Committee for consideration today. The grant period is July 1, 2008 through June 30, 2009.

Submission packets for the collaborative Targeted Grant Initiative with Community Services Boards and schools were due January 16. Eight new grantees were awarded. Community Services Boards in underserved areas of the Commonwealth collaborated with area schools to implement tobacco-use prevention and reduction programs with their students. The grant period runs through June 30, 2009. A total of \$531,000 was awarded.

For this past year, the Program Department implemented a new streamlined reporting method for grantees. Grantees report that they are pleased with the concise user-friendly new VTSF grants administration notebook. Based on grantee feedback, appropriate revisions will occur with the new grant year.

VTSF Program Specialists Terri-ann Brown and Charlie McLaughlin completed a review of the list of Compendium Programs for Grantees. There are now twenty programs on the Compendium from which organizations can choose when submitting proposals for use in their local community. These are for both prevention and/or cessation efforts.

The Virginia Tobacco Settlement Foundation forwarded a 2008 Training Interest Survey in January to more than 800 statewide tobacco use prevention and substance abuse professionals. The survey assisted in building a calendar of regional trainings. (The survey will also help plan for workshops to be offered at the VTSF 7th Annual Grantee Training Conference scheduled for September 24-25 in Newport News). VTSF will offer twenty-one workshops in the Richmond and Roanoke areas between May and September. The trainings will help increase tobacco control knowledge and build organizational cultural competency, capacity, and sustainability. The schedule is posted on the VTSF website (www.vtsf.org). The specific page link is: <http://www.vtsf.org/registration/upcoming-programs.asp>.

Three Regional Advisory Boards-- Southwest, North, and Central--met during January and February. Agenda items included a grantee presentation, an update on the current RFP, and the potential for identifying new partners. Also, the new promotional video was shown during the meeting.

Program Department staff attended a quarterly meeting in Alexandria May 13-14. Agenda topics included review of proposals recommended for funding, review current grantee status, upcoming 3-year RFP release, statewide evaluation project, annual statewide conference, trainings and compendium review. As well, a researcher from VCU attended to discuss an upcoming translation from research to practice project that will include VTSF program grantees.

MARKETING:

Last week, the VTSF received the topline results of the thirteenth wave of our bi-annual field study conducted by the Southeastern Institute of Research. This study is responsible for measuring the awareness and effectiveness of the VTSF youth tobacco use prevention marketing campaign among the youth of Virginia. After six years, the awareness level of the VTSF's *ydouthink* campaign remains high at 75% among the target audience: kids in Virginia ages 10-

17. The campaign's awareness has now been consistently strong (between 74% and 79%) for 54 consecutive months.

The three newest television commercials from the *ydouthink* campaign, "Kiss," "Revolution," and "Meatbelt" were completed and began airing statewide during the months of February and March. As in the past, the spots were placed during TV programming that is frequented by the campaign's target audience: youth aged 10-17 in Virginia. The new spots can be viewed at www.ydouthink.com/tvandradio.php.

The Virginia Tobacco Settlement Foundation (VTSF) and Rescue Social Change Group (RSCG) will have successfully completed a comprehensive research project involving numerous discussion groups to study smoking related attitudes among Virginia middle and high school students. The primary goal of this study is to further understand the associations between identity and smoking for these individuals. The findings from this study will provide the information necessary to improve the prevention strategies of *ydouthink*. The entire project involved 19 focus groups with approximately 135 youth at 7 different schools in the counties of Essex, Montgomery, Washington, and Henrico, as well as the cities of Norfolk and Virginia Beach. A final written report on the findings should be available by June.

The statewide marketing campaign of the VTSF – *ydouthink* - once again hosted the *Y Street* Trainings. Trainings took place on March 5 in Abingdon and April 29 in McLean. As the frontline of Virginia's youth-led tobacco prevention effort and the largest youth-led movement in Virginia, Y St. youth have the opportunity to give their input on the direction of the VTSF marketing campaign. There are now over 1,900 youth statewide advocating for *ydouthink* and tobacco-use prevention. Visit www.ystreet.org for more information.

One of the major initiatives launched by Y St. – the youth-led volunteer and activism brand that supports *ydouthink* - is the GlamRock Campaign. Y St. believes that magazines with large youth readerships should stand up and not accept tobacco ads, because doing so exposes millions of youth to tobacco products. The purpose of the GlamRock Campaign was to educate the general public on the issue, and to persuade two magazines with large youth readerships to stop advertising tobacco products to youth. In an attempt to achieve this, Y St. members acquired over 23,000 subscription cards from Glamour and Rolling Stone magazines. Personalized messages collected by Y St. members at events and online have been attached to the subscription cards and were mailed directly to the magazines.

RESEARCH:

The Youth Tobacco Use Prevention Advisory Board met on Friday, Dec. 14. The agenda included a discussion of the problems associated with bringing research translation to practice in tobacco use. The group will be working on several issues throughout the coming months.

The Virginia Youth Tobacco Project (VYTP) met on Wednesday, Jan. 16. In attendance, were the Executive and Deputy Directors, as well as the Chairman of the Research Committee, Dr. Kevin Cooper. Presentations and updates were given from all of the VTSF Research Grantees. Also, work continues on the research translation initiative with a workshop presented by Dr. Eric Donny, University of Pittsburgh.

VCU issued its call for proposals for mentorships in tobacco use prevention. The mentorship program is designed to pair new researchers with current VTSF-funded researchers to offer experience in tobacco prevention research. VCU expects to pair 2-3 mentors with mentees through this program.

Dr. Faye Belgrave, Department of Psychology at VCU and a VTSF research grantee, will serve as a mentor to Dr. Desideria Hacker at Norfolk State University. The mentorship plan will help increase Dr. Hacker's skills in conducting research through the Cultural Pathways to Tobacco Prevention Research Project coordinated by Dr. Belgrave. This program will allow Dr. Hacker to strengthen data analysis skills, submit papers for publication in professional journals, and prepare a proposal for further research around African Americans and tobacco use.

Dr. Faye Belgrave was the recipient of the 2008 Outstanding Faculty Award from Governor Kaine and the State Council of Higher Education for Virginia (SCHEV). As noted in the Governor's news release, Dr. Belgrave is a Professor of Psychology at Virginia Commonwealth University, who is nationally known for her work in the areas of culture and gender issues, HIV, and substance abuse programming. She is also a VTSF research grant recipient working on a project entitled, "Pathways to Smoking among African American Adolescents: Family, Contextual, and Cultural Factors."

YTS:

Data collection for the Youth Tobacco Survey is complete. The data sheets have been sent to the CDC to be scanned in order to generate the initial data files. These files will be returned to VCU for analysis. We anticipate having data tables and a draft report by early summer.

MSA PAYMENT:

In April, VTSF received payment from the MSA (Master Settlement Agreement). Our 10% portion of the payment was \$12,667,156. This year's payment was \$200,000 less than projected. In addition, the tobacco manufacturers withheld \$1.6 million of VTSF's funds into an escrow account.

LEGISLATIVE ISSUES:

During the General Assembly legislative session, Rickie Fulcher, VTSF's Board of Trustees Chairman, as well as advocacy groups and VTSF grantees, met with members of the money committees to discuss the Strategic Contribution Payment, which was a clause in the MSA for years 2008-2018. Every ten years, the Strategic Contribution Payment increases the total payment to the state. Virginia's portion was \$6.2 million and VTSF's portion was \$626,000. Those advocating for VTSF requested the total \$6.2 million to be used for prevention. Unfortunately, the final budget bill directed half of the payment to TICR (Tobacco Indemnification and Community Revitalization) and half of the payment to the Health Care Trust Fund, which funds Medicaid, thus redirecting our portion to Medicaid.

Letters were distributed to all General Assembly members updating legislators regarding VTSF program grantees and funding in their respective legislative districts. Several legislators requested site visits to view programs firsthand.

LEGISLATIVE VISITS:

Senator A. Donald McEachin and Delegate Joseph D. Morrissey visited Laburnum Elementary School in Henrico County on March 20 to watch an AI's Pals program taught by VTSF grantee Medical Home Plus. Executive Director Marty Kilgore and Public Affairs Coordinator Richard Foster were present from VTSF, and Medical Home Plus was represented by its executive director, Dr. Colleen Kraft, and its resource coordinator, Kate Olenyik. Dr. Kraft is also president of the Virginia Chapter of the American Academy of Pediatrics (AAP) and is presently running for election as national president of the AAP.

BUDGETARY ISSUES:

As a result of the lower MSA payment, the tobacco companies' withholding, and the redirection of our anticipated funds, VTSF is faced with a deficit of \$2.43 million. Staff have continued due diligence in using a working budget to keep expenditures lower than the board-approved budget as directed by the Board of Trustees. For FY09 and FY10, VTSF will continue to implement a working budget. The impact on cash flow is unknown at this time; therefore, staff may need to utilize the line of credit as has been utilized in past years.

STAKEHOLDER ISSUES:

On January 24, 2008, Bristol, Virginia was announced as a winner of the 100 Best Communities for Young People award from America's Promise, the nation's largest alliance dedicated to children and youth, in partnership with Capital One. The winners were announced on NBC's Today show and were honored at an awards reception in Washington, D.C. Bristol Youth Services, a VTSF grantee, applied for this award and highlighted the wide range of programs available for young people and families in their community. Applicants for the award submitted detailed information on existing community programs and initiatives that help deliver to youth the Five Promises – resources identified by America's Promise as being critical for success in life: caring adults, safe places, a healthy start, effective education and opportunities to help others. One of Bristol Youth Services' winning factors was their VTSF grant-funded Life Skills Training program, an ongoing collaboration between Bristol Youth Services and Bristol City Schools.

In Southwest Virginia, the American Lung Association (ALA) reports that numerous youth have decided to quit smoking as a result of VTSF-funded grantee programs administered by the ALA. In March, at the Southwest Virginia Health Occupations Students of America (HOSA) annual conference in Abingdon, two teenage girls gave testimonials saying they quit smoking as a result of a VTSF-funded tobacco-use prevention presentation by the ALA the previous year.

Marketing Presentation

Danny Saggese, Director of Marketing, presented the most recent TV Commercials. These included our campaign "*Tell us Why Smoking Isn't Stupid*" and to purposely show and emulate the socially successful teenager.

Old Business:

None

New Business:

Rickie Fulcher asked the board to make a tax deductible donation to Prevention Connections.

Rickie Fulcher also solicited for the vacant seat on the Prevention Connections Board of Trustees.

Prevention Connections is committed to the prevention and reduction of tobacco use to improve the health of individuals and communities.

Announcements:

2008 Board Meeting Dates:

September 9, 2008 – VCU Siegel Center

December 2, 2008 – Richmond Downtown Marriott

Adjournment

Meeting adjourned by Rickie Fulcher at 2:00 p.m.