

VTSF

VIRGINIA TOBACCO SETTLEMENT FOUNDATION

Board of Trustees Meeting Minutes May 7, 2002

Members present

John Andrako, MD, Curtis Coleburn, Steven Danish, PhD, Rickie E. Fulcher, Sen. Emmett W. Hanger, Jr., Barbara Hughes, Robert Leek, James L. McDaniel, MD, Del. John O'Bannon, Robert B. Stroube, MD, Sen. John Watkins and Percy Wootton, MD.

Members not present

Walter Bass, III, Kevin M. Bolling, Del. George E. Broman, Jr., Rebecca Darby, Patrick Hughes, Del. William Janis, V. Carole Loughheed and Becky Hartt Minor.

Staff

Terri-ann Brown, Eloise Burke, Donna Gassie, Wilma Jordan, Marty Kilgore, Sheri Lawson, Judy Link, Peter Sengenberger and Margaret White.

Counsel

Roscoe Roberts

Also in Attendance

The Honorable Jane Woods – Secretary of Health and Human Resources

Called to order

Chairman Dr. Steven Danish called the meeting to order at 1:30 p.m.

Minutes

Barbara Hughes recommended that the last names of everyone be included in the minutes which Dr. Steven Danish implemented effective immediately.

Motion to approve minutes: Sen. John Watkins

Second: Dr. John Andrako

Vote: Unanimous in favor

Chairman's Report

Dr. Steven Danish reported that the Virginia Tobacco Settlement Foundation has taken a big hit with the \$15.5 million proposed budget cut and how we will deal with it. He reminded us of the Florida situation where the marketing program went downhill because there was not enough money and the smoking rates went uphill. Kids find other kids which are doing the same things that they want to do. We have got to reach people who are thinking about it (tobacco), people who are trying it, people who are involved to try to make them be aware of these issues. This first six to eight months is just awareness. Behavior will not be changed in this level.

Director's Report

Marty Kilgore reported that on April 2, 2002, the Program Request for Proposal was due to either the Richmond or Blacksburg office of the Virginia Tobacco Settlement Foundation. Seventy-six proposals were received with requests totaling \$5,249,888. The Virginia Tobacco Settlement Foundation has \$2,166,749 available to award for local programs. The week of April 8th, Regional Advisory Boards received proposals to review. At our June 4th Board of Trustees meeting, proposals recommended for funding by our Regional Advisory Boards will be presented to our Board of Trustees for consideration.

Quarterly grant reports have been submitted by program grantees. Program Staff and Grant Program Administrators are continuing to review the Quarterly Progress Reports submitted. The review consists of comparing the goals, objectives and strategies from the quarterly report with those goals identified during the initial proposal submittal, reviewing the grantees assessment of the program for the reporting period, identifying training and technical assistance needs, making site visits and identifying upcoming events to review the programs in action.

The statewide multi-media marketing campaign was launched at our last Board of Trustees meeting and is going well. Through the various components, every county in the state will be reached with a tobacco use prevention message aimed at youth. Benchmark tracking data has arrived that will be used to track the success of the campaign.

Our community-based programs and marketing campaign are receiving quite a bit of press. The Richmond-Times Dispatch featured the Virginia Tobacco Settlement Foundation in the Metro Business Section of the newspaper on April 29th. Copies of this feature article were in the packets. Marty Kilgore completed a 30-minute interview with the Virginia Cable Telecommunications Association recently that will air throughout the state for the next 30-45 days regarding the agency's initiatives.

The research Request For Proposal closes on May 21st. Funding up to \$1million will be awarded for new research projects that focus on genetic, psychosocial or environmental factors that influence youth tobacco use. Additional Research Committee members are needed from the Board of Trustees.

The following individuals have terms that expire on June 30th:

Dr. Andrako—Pediatric Seat

Walter Bass—Citizen (Not interested in reappointment)

Dr. DeSilvey—Cardiology field (He has resigned)

Rickie Fulcher—Citizen

Becky Hartt Minor—A representative of a public health organization

Dr. McDaniel—A representative of a public health organization

Vacant—Pulmonary medicine field

Vacant—Oncology field

Marty Kilgore requested that you let the Secretary of the Commonwealth's Office know whether you are interested in being considered for reappointment by submitting a letter of intent with your resume attached. Send your letter and resume to the following address:

Secretary of the Commonwealth
One Capitol Square
830 E. Main St., 14th floor
Richmond, VA 23219

Committee Reports

Personnel Committee

Curtis Coleburn reported that the Personnel Manual would be mailed to the Board of Trustees members before the June 4th meeting.

Marketing Committee

Barbara Hughes reported that after only two weeks there have been about 32,000 page views, 5,800 user sessions, 2,800 unique visitors and 581 repeat visitors who are coming back on the average of six times and staying on for an average of 12 minutes and of course the website. This is outstanding but by no means proves that the success of the campaign is in site. Still must run the test of time. Rob Austin of Work, Inc. further explained that a page viewer is when a person opens the beginning page and if you go deeper into the site than your page viewed would accumulate accordingly. User sessions would things, which are played such as the games. Anything, which involved interaction. A unique visitor anyone other than a teen or a tween. Ogilvy who have a lot of experience doing this says that these numbers are outstanding particularly the amount of time the people are staying on it. That they are obviously finding it interesting and enough things to be involved and are moving around.

The first battle of the bands took place in Tidewater area. Sheri Lawson reported that she attended the battle of the bands in Deep Creek High School. It was rainy and cold but people came out and had a great time. Rob Austin reported that he went to Prince Ann School the next day. The weather was much better. The group was very lively. A lot of interest was expressed for the winners. The winners at both locations will be appearing as opening acts for the concert series to be happening at the Hampton Coliseum this fall. Whitney Snyder added that 72 applicants were participates in the battle for the band. Rob Austin said that there is a similar level of interest for the next battle of the band s this coming weekend. Sheri Lawson summarized by announcing that contracts for the three major artists have finalized following by a video demonstration.

The Zine was introduced. Everyone went outside to view the car.

Sen. John Watkins suggested that the Zine be brought to the next General Assembly session.

Budget Report

Wilma Jordan reported from the budget cut proposal handouts: attachment A-1, quarterly statements showing the actual expenses and earnings through April 2002, attachment A-2, summarized expense report showing the breakdown per line item and attachment B-1 and C-1, three-year cash flow analysis and proposed budgets representing both a reduction of the entire \$15,562,261 and also a partial amount of \$10,507,887 in FY02-FY04.

Dr. Steven Danish expressed a concern about taking the cuts in marketing and programs because of the number of kids reached directly with these initiatives.

Marty Kilgore added that the Center for Disease Control uses a model based on percentages for initiatives, which the foundation may want to eventually move to. Many states use percentages, which are based on the Master Settlement Agreement fluxation. The attachments (D-1 and D-2) provided are for the Board of Trustees to review based on the current budget numbers.

Marge White added that the foundation has a verbal commitment that the funding will not be removed until April FY03 but potentially it could be removed July 1st and that if that did happen then we would need to make an immediate decision.

Dr. Steven Danish added that the Board of Trustees must trust the Executive Committee with a certain amount of responsibility to do the important things that need to be done because the Executive Committee can meet at a quicker pace than the Board if an immediate decision must be made.

Curtis Coleburn suggested that the Executive Committee meet before the next Board of Trustees meeting to fine-tune the proposed numbers.

Wilma Jordan added that if DPD (Department of Planning and Budget) were to take the Foundation's money July 1st that we would have enough cash for the first six months. Our problem would occur in November and December. It takes approximately six to eight weeks for a loan to go through the process.

Sen. Emmett Hanger suggested that the Executive Committee should be empowered, with the exception of the major budgetary decisions, and that the Board of Trustees be a participant in that decision. The Executive Committee should bring a detailed proposal on how to deal with the proposed cut.

Dr. Steven Danish added that the Executive Committee would be meeting within the next couple of weeks.

Wilma Jordan ended the discussion by reminding the Board that budget cuts are inevitable because the Master Settlement Agreement payments made to the foundation will be lower each year.

Dr. Steven Danish summarized by saying that the day is coming when the foundation will either have to borrow money or have less. The Executive Committee needs to put together some proposals to share with the Board of Trustees about options based on the information presented--what we should be doing given a short fall in money and deciding how we will work with the money that we have, but at the same time be pushing forward to see if any of the money can be restored.

Marge White added that the proposals are based on the assumption that the money is "gone". The foundation will be going back to the General Assembly in January 2003 to make a request of restoration of our funds.

Public Comment

Donna Reynolds, of the American Lung Association of Virginia, requested that the Virginia Tobacco Settlement Foundation collaborate with the ALA of Virginia in an effort to encourage schools to go completely tobacco free. (Not only the schools, but the school grounds as well).

Recess

Dr. Danish called a 10-minute recess.
The meeting reconvened at 2:35 p.m.

Old Business

None

New Business

Legislative Awareness Initiative

Peter Sengenberger reported that several things will be done to educate the Legislators about the Virginia Tobacco Settlement Foundation such as talking about the Programs, Marketing, enforcement and the research that is being done through work with the local program grant recipients.

Peter Sengenberger, Marty Kilgore and Marge White will be meeting with the local program recipient to educate them on how to generate local media coverage of the programs and to also encourage them to invite their local legislators to the events. Marty Kilgore and other Virginia Tobacco Settlement Foundation staff will be attending the Regional Advisory Board Meetings and programs throughout the state and meeting with Legislators in those areas.

Dr. Steven Danish added that it is important that Legislators attend the local meetings.

Del. John O'Bannon suggested that the Zine be brought to Glen Allen Day and that the money committees be targeted.

Other Business

Next meeting is September 10th.

Adjournment

Motion: Dr. James McDaniel

Second: Barbara Hughes

Vote: Unanimous

The meeting was adjourned at 3:40 p.m.