

## Arkansas Tobacco Settlement Commission Meeting Minutes

<b>MEETING DATE:</b> Monday, October 25, 2004	<b>MEETING TIME:</b> 2:30 p.m. to 4:00 p.m.
<b>CHAIRPERSON:</b> Anthony Fletcher, MD	<b>MEETING PLACE:</b> Main Street Mall Building
<b>PERSON RECORDING:</b> Shabbir Khan	Arkansas River Room, 101 East Capitol Avenue, Little Rock.
<b>BOARD MEMBERS:</b>	
<b>Present</b> Anthony Fletcher, MD, Chairman Gail McClure, Ph.D. (designee for John Ahlen, Ph.D.) Omar Atiq, M.D. Linda Beene, Ed.D. Kurt Knickrehm	<b>Not Present</b> Gen. (RET) Bill Lefler, DDS, FACP Ken James, Ed.D. Fay Boozman, M.D.
<b>STAFF:</b> Chiquita Munir Shabbir Khan	
<b>INVITED GUESTS:</b> Willa Sanders, COPH Nell Smith, Arkansas Democrat Gazette Theresa Upshaw, AAI Jan Rector, Delta AHEC Judy Smith, AMHC Lo Vongsaravane, AMHC	

TOPIC	DISCUSSION	RECOMMENDATION/ACTION	FOLLOW-UP STEPS
<p><b>Introduction and Welcome</b></p>	<p>Dr. Fletcher called the meeting to order at 2:40 p.m. Dr. Fletcher welcomed everyone to the meeting and announced that he will be acting chair for today's meeting since General Lefler was unable to attend. Fletcher introduced Dr. Gail McClure representing Dr. John Ahlen from the Arkansas Bioscience Institute (ABI). Fletcher announced that Dr. Boozman will not be here to join the meeting.</p> <p>Written handouts were distributed by Chairman Fletcher:</p> <ul style="list-style-type: none"> <li>▪ Meeting agenda</li> <li>▪ Minutes of the 9/22/04 meeting</li> <li>▪ Financial Update as of 10/25/04</li> </ul>		

TOPIC	DISCUSSION	RECOMMENDATION/ACTION	FOLLOW-UP STEPS
<p data-bbox="90 185 449 305"><b><u>Old Business</u></b> <b>Review/Acceptance of Minutes</b></p> <p data-bbox="90 440 369 480"><b>Financial Update</b></p>	<p data-bbox="506 217 1024 282">Minutes of the September 22, 2004 meeting were reviewed by Commissioners.</p> <p data-bbox="506 386 1033 1289">Chiquita Munir updated the Commission on the budget for operation; total spent for operating so far has been \$9,000. Munir said that ATSC budget was reduced substantially this year compared to last year. Recently, the Commission sent in budget requests for approval by the Joint Budget Committee. The budget was approved with a \$3,500 increase in travel for Community Grant site visits. The budget for professional fees and services were reduced to \$300,000 from \$500,000. Munir said that there is \$64,000 remaining under professional fees and services – only \$168,000 were committed to RAND and \$67,000 has been spent this year. Munir said that the RAND contract is to be renewed on December 31 and a copy of the proposal is expected within a few weeks. Since lot of preliminary project work is already done, this new contract will be substantially lower fee. However, the appropriation being only \$300,000 is a concern that needs to be addressed by the Commission. Munir also mentioned that remaining budget of \$283,000 from the grant may need to be shifted over to satisfy the obligations for the RAND contract.</p>	<p data-bbox="1060 217 1524 282">Motion to approve by: Mr. Knickrehm Seconded by: Dr. Atiq</p> <p data-bbox="1060 321 1566 386">Minutes from September 22, 2004 meeting were unanimously accepted.</p> <p data-bbox="1060 857 1587 1386">Dr. Fletcher asked Munir what could be the projected expense for RAND since there is a downsize of the project. Munir said that she spoke with Dr. Farley recently and RAND is going to submit their initial proposal to ATSC office explaining their plan for the next two years. Munir further said that since RAND has already completed the process evaluation and obtaining baseline date for all the ATSC programs, RAND will focus on outcomes without losing focus on process evaluation; this should reduce the cost of the RAND contract significantly. Munir said that the RAND renewal contract is anticipated to be less than \$300,000.</p>	<p data-bbox="1629 1058 1982 1221">After RAND submits their initial proposal, Munir will bring that proposal to the Commission in the upcoming ATSC meeting.</p>

**Old Business**

**Financial Update**

Knickrehm asked Munir how much did the Commission give out for Community grant this year and what is the remaining budget.

Munir said that the Commission gave out approx. \$487,000 this year and \$353,000 last year. She added that there is \$283,000 on the Community Grant line item. Munir said that since the Commission may not have sufficient funding sources to provide grants to the local communities, ATSC may not be able to have a Community Grant Competition next year.

Knickrehm asked Munir whether she wanted to have some reserved money for an un-anticipated expense.

Dr. Fletcher said that not having a Community Grant Competition next year would mean that the worthy local projects that got a start on their foundation with the ATSC grant will not be able to continue their project. Munir said that in order to have a Community Grant Competition, the Commission would have to find alternative funding sources to fund those local community projects. The Commission has been hit badly with the reduction in its budget, due to having to operate off the interest earned on the Healthy Century trust fund and the reduction in MSA payments.

Atiq asked Munir what is the amount that was committed to RAND and what is the remaining balance on the budget for RAND's services.

Munir said that the Commission would need to have some money set aside for operating expenses, just to be on the safe side. She said that according to RAND's recommendation, the Commission also focuses on CQI issues and monitoring of all the programs.

Munir said that about out of the \$300,000 budget for RAND's services, \$168,000 is committed to RAND for their service which leaves a balance of \$64,000 on the budget for the remainder of this contract period.

<p><b><u>New Business</u></b></p> <p><b>RAND Renegotiations</b></p>	<p>Knickrehm asked whether the Executive Committee will address the issue of additional funding sources for ATSC.</p> <p>Munir mentioned that couple of the ATSC programs, UAMS and Delta AHEC had money allocated in a manner which included a shifting of funds from one appropriate line item to another. Munir spoke with Mike Stormes who said that RAND have a proposed timeline within the state. The two programs budget has been submitted and is due for a hearing whether those appropriations are changed or not.</p> <p>Munir will be talking with Allan Weaver of RAND to discuss the renewal of contract for the next two years. The new RAND evaluation will focus more on outcomes than process evaluation. She said that RAND will continue working with process indicators and they will also set a strategic plan for all the programs for the next 2-5 years. She said that the new contract price could be less than \$300,000.</p>	<p>Munir said that the Executive Committee will discuss the options for the additional funding sources of ATSC.</p> <p>Dr. Beene said that all the higher education budget hearings go through the Department of Higher Education and it could take some time to reach a decision. She said that the Commission may have to wait till a decision is made and this is anticipated to take place sometime next spring.</p> <p>Knickrehm asked Munir to clarify RAND's strategic plan for the 2-5 years.</p> <p>Munir said that RAND will work with programs to develop a strategic plan which will basically indicate where the programs want to be in the next 2-5 years.</p> <p>Dr. Atiq asked Munir how the Commission will know the acceptable price for RAND's services since there is no other bidder on the contract.</p> <p>Munir said she would talk with Dr. Farley and Mr. Weaver during renegotiations and compare the prices they charged for the previous evaluation. Munir said that the change in scope of the project will also help reduce the cost for their services.</p>	<p>Staff will then bring this information to the Commission.</p>
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	<p>Fletcher entertained a motion to allow staff to process the RAND contract renegotiations.</p> <p>Fletcher stated that the next meeting of the Arkansas Tobacco Settlement Commission will be held on November 17, 2004. The meeting will begin at 1:30 p.m.</p> <p>Fletcher entertained a motion to adjourn this meeting of the ATSC.</p> <p>With no other business to discuss, the meeting adjourned at 3:50 p.m.</p>	<p>Motion to approve by: Mr. Knickrehm Seconded by: Dr. Beene. All Commissioners unanimously approved.</p> <p>Dr. Atiq motioned to adjourn the meeting. Knickrehm seconded. All Commissioners unanimously approved.</p>	
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