



LOFT Report #21-092-02

Tobacco Settlement Endowment Trust

LOFT evaluated the Tobacco Settlement Endowment Trust (TSET) in 2021, assessing the outcomes of the programs and services it funds. TSET is funded through annual payments from tobacco companies that were negotiated as part of the 1998 Master Settlement Agreement between states and tobacco companies, with the intent to provide a continual funding stream from which to combat the long-term health costs related to smoking. TSET generally focuses its spending on programs that prevent and reduce tobacco use and those that improve the health of Oklahomans.

LOFT's report examined TSET's constitutional mandate and whether 20 years of significant investment has led to measurable outcomes for the State. LOFT found that while Oklahoma's spending on tobacco cessation and prevention ranked among the highest in the nation, its smoking prevalence was also among the highest. Additionally, Oklahoma's critical health outcomes ranked among the worst in the nation. LOFT could find no evidence demonstrating correlation between spending and outcomes, and also found that TSET did not track the type of outcome data necessary to determine the effectiveness of its media campaigns. The 2021 report also found that TSET's resources were not targeting communities with the highest rates of smoking prevalence. Last, LOFT identified best practices used by other states for Oklahoma to consider implementing to reduce smoking prevalence and improve the impact of TSET's funds.



Summary of Agency Actions Since LOFT 2021 Report

After the 2021 report, TSET formed a subcommittee to review LOFT's recommendations. This work resulted in TSET creating a Quality and Performance division to ensure that TSET is measuring outcomes, aligning work with the Constitution and the vision set by its Board of Directors, and managing quality improvement initiatives. TSET also reorganized its staff, consolidating administrative functions to devote the bulk of its staff to the execution of successful grants and contracts to improve the health of Oklahoma. TSET shifted its grant strategy from building knowledge to supporting strategy implementation at the local level. These efforts led to sunseting staff-heavy comprehensive community programs and piloting 7 new single-strategy initiatives that are more straightforward, short-term, and high impact.



Agency Cost Savings and Efficiencies

By shifting the focus of community grants away from a solely comprehensive approach to include more built environment grants and targeted programmatic grants, TSET has been able to increase the number of awards made to the community. In FY 22, TSET had approximately 46 grant contracts totaling about \$22.5 million awarded.

As of September 2025 (FY26), TSET has 70 grant contracts totaling about \$41.6 million. It is expected that for FY26, the total of grant contracts will reach 90 awards, essentially doubling the number of grants and dollars being moved to impact health across the state.

The goal of Impact Evaluations is to foster accountability by assessing the status of recommendations issued in the original evaluation report and any related agency actions to address identified challenges.



LOFT Recommendation to Agency	Status			Comments
	No Action	In Progress	Complete	
Adopt logic models that measure behavioral change, to include data collection plans that measure short-term, intermediate, and long-term success metrics.				As part of the work of the Quality and Performance division, TSET developed an agency-wide logic model that ties all TSET grants and programs to specific health behaviors and related health outcomes. Additionally, each program has short, intermediate, and long-term metrics as part of a revised performance structure that will be fully implemented in FY27.
Partner with the State Department of Health to conduct more rigorous statistical analysis to better understand the relationship between variables that impact prevalence.				Prior to the initial LOFT review, TSET and OSDH were already engaged in significant partnership work in tobacco cessation and prevention. That work continues today through several collaborations. Specifically related to data, this includes the Oklahoma Youth Tobacco Survey and the Oklahoma Adult Tobacco Survey. Based on data collected through these surveys, TSET and OSDH conduct the statistical analyses needed to understand the variables related to smoking prevalence in Oklahoma. This analysis is then used to inform the statewide tobacco plan which includes a cohesive set of strategies that address smoking prevalence.
Begin Collecting data on e-cigarette use, as well as the use of other tobacco products and emerging trends.				At the time of the initial LOFT report e-cigarettes and vaping were still an emerging topic. Since that time, more evidence about the harmful effects of vaping has come to light, especially for young people. TSET began monitoring several data points related to e-cigarette usage and now include youth and young adult vaping as part of our strategy to improve the health of Oklahomans.
Prioritize tobacco prevention and control programs based on Oklahoma-specific outcomes and needs.				For its existence, TSET has prioritized tobacco prevention and control programs. One example is TSET's health education and youth advocacy interventions designed to reduce harmful behaviors that can cause addiction and reduce lifespan, innovative tobacco cessation services for youth, and grants and partnerships designed to prevent youth access to tobacco.



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Report data related to health outcomes directly attributable to TSET programs and spending.				TSET issues an annual report that details the major outcomes directly attributable to its work. Full evaluation reports are issued for each grant program following the conclusion of each grant period. Currently, TSET Strategic Objectives are statewide population level health indicators that have multiple contributing factors. In FY27, new Strategic Objectives will likely be added to capture intermediate outcomes that are more proximal to TSET's initiatives. TSET is also adding additional evaluation projects and reports to more directly tie TSET's grants to health outcome results in communities.
Measure outcomes data to determine the statewide efficacy of media campaigns				TSET's third-party evaluators conduct three statewide cross-sectional surveys annually that provide data to determine the statewide efficacy of our media campaigns. Those include the TSET Survey, the Shape Your Future Survey, and the Tobacco Stops with Me Survey. In addition to the annual surveys, our youth media partner regularly report on specific youth targeted health education campaign outcomes.
Examine the operational and cost-effectiveness of the Helpline, looking to other states for examples of cost-saving measures				A comprehensive evaluation of the Oklahoma Tobacco Helpline was conducted from October 2023 – May 2024. The assessment included data and SWOT analysis, partner assessment, and system assessment. A new strategic plan was developed from May to October 2024 that addresses gaps in service, quality, and cost effectiveness. Implementation began immediately. The OTH strategic plan concludes in June 2028; evaluation will be ongoing for the duration of the strategic plan. OTH results and areas for improvement are communicated quarterly and yearly.

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