



**SCOTT MEACHAM
OKLAHOMA STATE TREASURER**

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**\$15.5 Million Certified for Use Improving
Oklahomans' Health**

For Second Year, Meacham-led Changes Increase Earnings by 50 Percent

OKLAHOMA CITY – A healthy increase in tobacco endowment earnings certified Tuesday is the result of changes made by State Treasurer Scott Meacham and the Oklahoma Tobacco Settlement Endowment Trust Fund Board of Investors in the investment of Oklahoma's share of the national Master Settlement Agreement.

On Tuesday afternoon, the board certified \$15.5 million in investment income for use in improving the health of Oklahomans. Each year, the board certifies actual dividends and interest earned after investment fees are paid.

"This certification reflects an increase of \$5.1 million or 50 percent over the funds made available last year from investment of Oklahoma's share of the tobacco settlement," Meacham said. "Our investment strategy is paying off."

Since Meacham took office in 2005, annual earnings of the tobacco settlement endowment have more than tripled.

Earnings from the fund are growing due to two changes the board adopted at Meacham's recommendation. Meacham negotiated new investment contracts to cut the fees paid and the portfolio was redistributed to generate additional certified earnings while protecting the principal value of the fund.

Oklahoma is the only state with a constitutionally-protected endowment to fund programs that will reduce tobacco use and improve the health of Oklahomans. Voters approved creation of the endowment in 2000. Since its inception, more than \$45 million in earnings have been generated by the board of investors.

The endowment currently contains more than \$422 million. Investment of the funds is managed by the Board of Investors. Spending of the earnings is controlled by a separately appointed Board of Directors. Among the programs funded is a toll-free Tobacco Helpline, 1-800-QUIT NOW (1-800-784-8669).

(more)

Kenneth Rowe, Chairman of the Board of Directors, said the additional funding will be very helpful.

“This increased funding will help us provide more program funding to improve the health of Oklahomans,” said Rowe. “Once again the board of investors should be commended for their outstanding work on behalf of the State of Oklahoma.”

Unlike standard endowments that are allowed to spend a set percentage of the value of the total fund each year, the Oklahoma Constitution limits the tobacco endowment to spending only actual earnings.

A total of 75 percent of Oklahoma’s share of the national Master Settlement Agreement is placed into the endowment each year. The remainder of the settlement payments is appropriated by the Legislature.

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