Texas Veterans Commission Meeting Minutes

Second Quarterly Meeting (FY 2014)
February 25, 2014

I. Call to order.

Chairman Eliseo Cantu called to order the 2nd Quarterly Meeting of the Texas Veterans Commission (TVC) at 9:06 a.m. on February 25, 2014, in Room 170 of the Stephen F. Austin Building at 1700 North Congress Avenue, Austin, Texas 78701.

The following Commissioners, constituting a quorum, were present:

Eliseo "Al" Cantu, Chairman
James H. Scott, Vice Chairman
Richard A. McLeon, IV, Secretary
Daniel P. Moran, Commissioner

Also present was Thomas P. Palladino, Executive Director.

Also present: See the attached list.

Secretary McLeon gave the opening prayer. Vice Chairman Scott led the Pledge of Allegiance to the United States Flag and Commissioner Moran led the Pledge of Allegiance to the Texas Flag.

It was announced that Chairman Cantu and Commissioner Moran had been reappointed by Governor Perry to the Texas Veterans Commission and their new terms will expire in 2019.

Chairman Cantu welcomed visitors to the meeting. He introduced Texas Veterans Commission new employees:

Justin Coleman
Government Relations – Information Specialist – started on January 6th at TVC HQs

Patrick Tilly
Finance – Travel Accountant – started on December 9th at TVC HQs

Greg Shigemasa
Veterans Entrepreneur Program – Program Specialist – started on January 13th at TVC HQs

Lisa Wickstrom
Legal – Assistant General Counsel – started on February 18th at TVC HQs

Cindy Varnadoe
Finance – Purchaser – started on January 3rd at TVC HQs

Arlene Martinelli
Finance – Accountant – started on December 2nd at TVC HQs

Tim Shatto
Veterans Employment Services – Veterans Employment Liaison – transferred from North Texas Workforce Solutions to TVC HQs on January 6th

II. Public comment.

Capt. Morgan Little, USNR (Ret.), of the Texas Committee for Employer Support of the Guard and Reserve addressed the Commission regarding the number of Reserve Components currently activated and deactivated since September 11, 2011. Capt. Little emphasized the increasing number of deactivated Reserve Components returning from duty. He explained to the Commission that services to Veterans will need to be amplified as the number of deactivated Reserve Components continues to grow. A document containing information about the number of Reserve Components currently activated and deactivated was distributed to the Commissioners prior to Capt. Little's presentation.

III. Approve the Minutes of the First Quarterly Meeting held November 13, 2013.

The minutes were previously distributed to the Commissioners.

MOTION:	Approve the minutes of the First Quarterly Meeting held on November 13, 2013, as presented.
MADE BY:	Secretary McLeon
SECONDED BY:	Commissioner Moran
ACTION:	The motion passed unanimously.

IV. Report, presentation and/or action by representatives of the Advisory Committees:

a. Veterans Communication Advisory Committee – Jim Cunningham, Chair
Jim Cunningham provided a summary of activities conducted by the Veterans Communication Advisory Committee since its last report to the Commission. The Veterans Communication Advisory Committee met twice since the last Texas Veterans Commission Meeting. Mr. Cunningham explained to the Commission that the Advisory Committee has been providing support to the Texas Veterans Commission by increasing outreach for the agency's programs, and providing support

for student Veteran outreach. Additionally, the Advisory Committee has been examining existing resources to increase outreaching efforts to Veterans and their families. Lastly, Mr. Cunningham notified the Commission that the Advisory Committee has opened up discussions regarding legislative issues impacting Veterans.

b. Veterans Employment and Training Advisory Committee – Richard Hatfield, Committee Member
Richard Hatfield provided a summary of activities conducted by the Veterans Employment and Training Advisory Committee since its last report to the Commission. The Committee met once since the last Texas Veterans Commission Meeting. Mr. Hatfield explained to the Commission that the Advisory Committee continued its work toward identifying employment needs for Veterans and improving partnerships between workforce boards, educational institutes, and employers. Additionally, Mr. Hatfield notified the Commission about the new committee members and the newly elected Chair and Vice Chair. Concluding the presentation, Mr. Hatfield introduced the new Chair of the Veterans Employment and Training Advisory Committee, John DiPiero, to the Commissioners.

c. Veterans County Service Officer Advisory Committee
The Veterans County Service Officer Advisory Committee did not meet since the last Texas Veterans Commission Meeting. No updates were presented to the Commission. However, a document containing information regarding future business for the Advisory Committee was previously distributed to the Commissioners.

d. Fund for Veterans' Assistance Advisory Committee
The Fund for Veterans' Assistance Advisory Committee did not meet since the last Texas Veterans Commission Meeting. No updates were presented to the Commission. However, a document containing information regarding future business for the Advisory Committee was previously distributed to the Commissioners.

The Texas Veterans Commission presented Certificates of Appreciation to previous members of the Veterans Communication Advisory Committee for their service to Veterans. The following pervious members were honored:

Mr. John Miterko
Mr. Allen Bergeron

V. Report, presentation and/or action regarding Executive Director Report.

Thomas Palladino, Texas Veterans Commission Executive Director, provided a report on the agency's priorities and activities over the last quarter. Mr. Palladino informed the Commission about his graduation from the Governor's Executive Development Program. He also notified the Commission that the Negotiated Rulemaking Committee charged with examining the Hazlewood Exemption Program reached a consensus on the

proposed rules to be published in the Texas Register (proposed rules were addressed during agenda item X). In addition, he explained to the Commission that the Texas Coordinating Council for Veterans Services met on January 15, 2014, to receive updates from the eight workgroups. Mr. Palladino informed the Commission that the Texas Coordinating Council for Veterans Services workgroups are in the process of completing their third round of meetings and the initial draft of the report should be reviewed during the next Texas Coordinating Council for Veterans Services meeting.

Furthermore, Mr. Palladino briefed the Commission on the Veteran Hiring Initiative for State Government. He informed the Commission that Shawn Deabay, Texas Veterans Commission Veterans Employment Services Director, and he have met with executive leadership for several state agencies concerning this initiative. Additionally, Shawn Deabay and he met with the U.S. Department of Labor to discuss the Jobs for Veterans State Grant and how it is being utilized in Texas. Mr. Palladino briefed the Commission on the successes of the Veterans Entrepreneur Program and notified the Commission that he presented a Texas Veterans Commission's Leadership Award to State Representative Ralph Sheffield at the Veterans Entrepreneur Program Seminar in Temple, TX on February 1, 2014, for his legislative efforts in assisting the Veterans Entrepreneur Program. Mr. Palladino also updated the Commission on his recent trips and meetings since the last Texas Veterans Commission Meeting. Mr. Palladino notified the Commission that he attended the National Association of State Directors of Veterans Affairs 2014 Mid-Winter Conference in Alexandria, Virginia on February 9 – 12, 2014. He informed the Commission that while he was at this conference the U.S. Department of Veterans Affairs awarded the Texas Veterans Commission the Pillar of Excellence Award for the establishment of the Strike Force and Fully Developed Claims teams that helped reduce the claims backlog in Texas.

Lastly, Mr. Palladino updated the Commission on future meetings and activities occurring within the Texas Veterans Commission. He notified the Commission about his intent to outreach to universities and higher education institutions across the state and brief them on the new Hazlewood Exemption Program rules developed by the Negotiated Rulemaking Committee, once the final version has been published. Additionally, Mr. Palladino informed the Commission about the Texas Veterans Commission Annual Summit in San Antonio, TX. An updated organization chart, accolades, and an updated document on the Texas Casualties were presented to the Commission by Mr. Palladino.

Concluding Mr. Palladino's presentation, he presented Jim Richman, Texas Veterans Commission Claims Representation and Counseling Program Director, the Pillar of Excellence Award.

VI. Report, presentation and/or action on agency programs and divisions:

The Commissioners reviewed the Quarterly Program Reports that were previously provided. Program and division staff was provided the opportunity to brief the Commission on any new items or highlight significant items that occurred within their

program.

A. Jim Richman, Claims Representation and Counseling Program Director, reported on major activities and accomplishments completed by the program since the last Texas Veterans Commission Meeting. Mr. Richman notified the Commission about Mr. Palladino and Mr. Kyle Mitchell's (Texas Veterans Commission Deputy Executive Director) trip to the Houston Regional Office for the purpose of Claims' staff to demonstrate the elements and intricacies of the various VA technologies, including the Houston Stakeholders Enterprise Portal (SEP) lab. He also briefed the Commission on the current status of the SEP lab and the logistics of situating the SEP lab in Waco. In addition, Mr. Richman updated the Commission on the work between the Texas Veterans Commission and the U.S. Department of Veterans Affairs regarding the filing of paperless claims. Mr. Richman briefed the Commission on the El Paso Pledge event that took place on February 19, 2014, in which fifty Veterans who met the U.S. Department of Veteran Affairs' Pledge criteria had their claims processed and their medical examinations completed during this event. Concluding the discussion, Mr. Richman addressed all question from the Commission.

B. Stan Kurtz, Veterans Employment Services Operations Manager, reported on major activities and accomplishments by the program since the last Texas Veterans Commission Meeting. Mr. Kurtz briefed the Commission about the partnerships and assistance the Texas Veterans Commission has provided to various job fairs and hiring events around the state. Mr. Kurtz informed the Commission about the program's participation in a Veteran employment panel at the Texas Workforce Commission's annual conference in San Antonio, TX. Mr. Kurtz also informed the Commission about the programs meeting with the U.S. Department of Labor's Veterans Employment and Training Service staff. Additionally, Mr. Kurtz updated the Commission about newly hired employees within the Veterans Employment Services Program, including a Veterans Employment Liaison to serve as a resource to state and local government agencies with the process of employing more Veterans in state government. Lastly, Mr. Kurtz updated the Commission on the status of the Veterans Entrepreneur Program and the Women Veterans Program regarding employment. He explained to the Commission that the Veteran Entrepreneur Program has expanded their staff to assist with various projects and the program has started conducting seminars throughout the state to assist Veterans with their entrepreneurial goals. In addition, Mr. Kurtz highlighted employment success stories that involved the Women Veterans Programs. Mr. Palladino added favorable comments in regard to the employment assistance work completed by the Women Veterans Program. Documents highlighting the Veterans Employment Service Program Performance were distributed to the Commission prior to the Commission Meeting.

C. Rufus Coburn, Veterans Education Program Director, reported on major activities and accomplishments by the program since the last Texas Veterans Commission Meeting. Mr. Coburn briefed the Commission on the program's compliance visits

that were completed throughout the state to review licenses and certified programs issued by the Veterans Education Program. He notified the Commission about successful experiences and issues the program had experienced on their various compliance visits conducted throughout the state. He elaborated on the issues that were experienced and how his program assisted the school in resolving the issue. Additionally, Mr. Coburn updated the Commission on the Negotiated Rulemaking Process concerning the Hazlewood Exemption Program. He explained to the Commission that the Negotiated Rulemaking Committee had met for the final time and had published their proposed rules for the Commission's approval (proposed rules were addressed during agenda item X). He also noted to the Commission that the Hazlewood database transfer is still being completed. Lastly, Mr. Coburn updated the Commission on the Texas Veterans Commission's role within the U.S. Department of Veterans Affairs' nationwide complaint system that has been created to assist in resolving issues pertaining to veterans' education.

D. Kathy Wood, Fund for Veterans' Assistance (FVA) Director, reported on major activities and accomplishments by the program since the last Texas Veterans Commission Meeting. Ms. Wood briefed the Commission on the process and work completed by staff in regard to the applications received for the Housing 4 Texas Heroes, General Assistance – Series XIVB and Veterans Mental Health grants. She explained to the Commission that staff is finishing up the eligibility review and evaluation process of the applications, which will then be presented to the Fund for Veterans' Assistance Advisory Committee on February 28, 2014. At this meeting the Fund for Veterans' Assistance Advisory Committee will hear public presentations for any eligible applicant, which will be limited to 5 minutes in length. Additionally, Ms. Wood notified the Commission that she and staff member, Elaine Zavala, accepted on behalf of the Agency, the Rising Star Award from the State Employee Charitable Campaign (SECC) for the most improved SECC campaign in the State for agencies of our size. Ms. Wood also updated the Commission on the FVA grantee compliance visits completed. Lastly, she notified the Commission about upcoming events and goals the FVA is hoping to accomplish for this upcoming quarter. Concluding Ms. Wood's presentation she noted the FVA program's performance measures. Documents detailing the Grant Performance Summary through December 15, 2013 were distributed to the Commission prior to the meeting.

E. Cruz Montemayor, Chief Administrative Officer, reported on major activities and accomplishments by the division since the last Texas Veterans Commission Meeting. Mr. Montemayor provided information concerning the recent audits that were completed for the Human Resources Division and for the Informational Technology Division. Additionally, Mr. Montemayor briefed the Commission on the Communications and Veterans Outreach Division. He noted to the Commission that Rachel Shumaker, Communications and Veterans Outreach Manager, has been given additional responsibilities in managing the Women Veterans Program. Lastly, Mr. Montemayor briefed the Commission about the State Office of Risk Management's requirement relating to a state agency's Continuity of Operations Plan and a Level 1 FEMA certified employee and what the Texas Veterans Commission is doing to

meet this requirement.

F. Michelle Nall, Finance Budget Manager, reported on major activities and accomplishments by the division since the last Texas Veterans Commission Meeting. Ms. Nall briefed the Commission on all budget reports that were submitted to outside agencies. Additionally, Ms. Nall noted the amount of payments that were processed this quarter, and that all payrolls had been processed in a timely fashion.

VII. Report, presentation and/or action on Appropriation Year 2014 1st Quarter Operating Statement.

Michelle Nall, Finance Budget Manager, presented the First Quarter Operating Statement for FY 2014, which was previously provided to the Commissioners. Ms. Nall briefed the Commissioners on the new budget operations plan adopted by the finance division. Additionally, Ms. Nall addressed discrepancies associated with total funding and total expenditures.

No motion to approve needed.

VIII. Presentation on process for the development and approval of the Strategic Plan and Legislative Appropriations Request.

Jeff Williford, Government Relations Manager, briefed the Commission on the process of developing and approving the Texas Veterans Commission Strategic Plan for 2015 – 2019 and Legislative Appropriations Request for FY 2016 – 2017. Mr. Williford explained to the Commission that the Government Relations Division has been tasked with completing these two documents. Mr. Williford noted the Texas Veterans Commission is basing their due dates and timeline on previous Strategic Plans and Legislative Appropriations Requests development until the agency receives guidance on these due dates. Additionally, Mr. Williford explained to the Commission that all division staff has conducted preliminary meetings with the Government Relations Divisiont to start updating the Texas Veterans Commission's strategic plan and the Legislative Appropriations Request.

No motion to approve needed.

IX. Report, presentation and/or action on Report of the Negotiated Rulemaking Committee for Rules Related to the Hazlewood Exemption Program.

Cruz Montemayor, Negotiated Rulemaking Facilitator, provided an overview to the Commission of the entire Negotiated Rulemaking Process concerning the Hazlewood Exemption Program. Mr. Montemayor elaborated on the organization of the Negotiated Rulemaking Committee. Additionally, Mr. Montemayor highlighted notable meetings conducted by the Negotiated Rulemaking Committee and the Workgroups of the Negotiated Rulemaking Committee. A copy of the Report of the Negotiated Rulemaking

Committee was distributed the Commission prior to the meeting.

X. Report, presentation and/ or action to repeal and propose new rules under Title 40, Texas Administrative Code §§461.10 – 461.120, regarding Exemption Program for Veterans and their Dependents (The Hazlewood Act Rules).

Cruz Montemayor, Negotiated Rulemaking Facilitator, presented to the Commission the proposed repeal and new Administrative Rules regarding the Hazlewood Exemption Program for Veterans and their dependents. Mr. Montemayor noted to the Commission the differences in the current rules and the new proposed rules.

MOTION:	Approve the proposed repeal and new Administrative Rules regarding the Hazlewood Exemption Program for Veterans and their dependents to be posted in the Texas Register.
MADE BY:	Vice Chairman Scott
SECONDED BY:	Secretary McLeon
ACTION:	The motion passed unanimously.

XI. Report, presentation and/ or action to repeal and propose new rules under Title 40, Texas Administrative Code §§460.10, Limitations on Grant Funds regarding the Fund for Veterans' Assistance (FVA) Grant Program.

Kathy Wood, Fund for Veterans' Assistance Director, provided background on the new proposed rules relating to allowing grant funds provided by the Texas Veterans Commission to purchase vehicles.

Ms. Wood addressed all questions and concerns from the Commissioners regarding the proposed amendment.

MOTION:	Table discussion regarding the proposed amendment to section 460.10 of the Administrative Rules relating to the Fund for Veterans' Assistance Grant Program.
MADE BY:	Secretary McLeon
SECOND BY:	Commissioner Moran
ACTION:	The motion passed unanimously.

XII. Discussion to set date, time, and location of next Commission meeting

The Commission discussed the date, time, and location of the upcoming Third

Quarterly Commission meeting. TVC staff suggested the next Commission Meeting to be scheduled on May 14, 2014, at 8:00 a.m. in San Antonio, TX. The Commission expressed no conflicts with this date. The Commission agreed to accept this date, time, and location for the next Commission meeting.

XVI. Executive Session.

No executive session was held.

XVII. Discuss and take Possible Action on the Items considered in Executive Session

None.

XVIII. Adjournment

Chairman Cantu recognized each Commissioner for closing statements. The Commissioners extended their gratitude to Texas Veterans Commission staff for all their support and hard work in serving our Texas Veterans.

Chairman Cantu adjourned the meeting at 10:38 a.m.

MOTION:	Adjourn
MADE BY:	Vice Chairman Scott
SECONDED BY:	Commissioner Moran
ACTION:	The motion passed unanimously.

Minutes Approved by:

Eliseo "Al" Cantu, Jr., Chairman

TEXAS VETERANS COMMISSION
2nd Quarterly Commission Meeting
FY 2014 – February 25, 2014
9:00 a.m. – Stephen F. Austin Building -- Room 170
Speakers & Visitors

James Cunningham
Chair, Communications Advisory Committee

Richard Hatfield
Veterans Employment & Training Advisory Committee

John A. Miterko
Texas Coalition of Veterans Organizations

John DiPiero
Chair, Veterans Employment & Training Advisory Committee

Dwight Clark
House Committee on Defense and Veterans Affairs

Amanda Dillon
Legislative Budget Board

Allen Bergeron
City of Austin

Bill McLemore
Veterans Land Board

Morgan Little
Texas Coalition of Veterans Organizations

Angela Brutsche
Veterans Land Board