

Texas Veterans Commission Meeting Minutes

Third Quarterly Meeting (FY 2013)
May 8, 2013

I. Call to Order

Chairman Cantu called to order the Third Quarterly Meeting of the Texas Veterans Commission (TVC) at 9:02 a.m. on May 8, 2013 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, Member

Excused:

J.K. "Jake" Ellzey, Member

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.

Chairman Cantu welcomed visitors to the meeting. He introduced TVC new employees: Rebecca Reyes, Grant Compliance Officer, FVA; Hannah Schaeffer, Information Specialist, Communications & Public Outreach; Pam Maercklein, Women Veterans Coordinator for Claims.

II. Public Comment

Jim Duncan, Past Chair, Texas Veterans Commission, who serves on three veterans service organization executive boards, noted that he attended the Fund for Veterans' Assistance (FVA) workshop at the 2013 TVC 15th Annual Veterans Summit in Austin. He suggested that the Commissioners & FVA staff review the scoring procedures for FVA grants and give priority bonus scoring points to veteran service organizations who apply for FVA grants.

Morgan Little, Texas Committee for Employer Support of the Guard and Reserve (ESGR) representative, provided an update regarding the summary of cases as of Fiscal Year 2013. He noted that ESGR has handled 113 cases; 40 cases have been resolved; and 31 cases have not been resolved; there were 38 admin cases and 4 open cases. He provided a document entitled "Recent Year Case Resolution Rates for Selected States" and a booklet entitled "Annual Report for the National ESGR Committee" to the Commissioners.

Charles Cloutman, representing Meals on Wheels & More, addressed the Commission seeking support for the FVA grant application by his organization, which provides hot meals for veterans in the Austin and Travis County area. He stated if the application is granted, the organization estimates 300 veterans can be served.

III. Approval of Minutes of the Second Quarterly meeting held February 11, 2013

The minutes were previously distributed to the Commissioners.

MOTION: Approve the minutes of the Second Quarterly Meeting held on February 11, 2013, as presented.

MADE BY: Secretary McLeon

SECONDED BY: Vice Chairman Scott

ACTION: The motion passed unanimously.

IV. Report, Presentation and/or Action by Representatives of the Advisory Committees

A. Veterans Communications Advisory Committee – Jim Cunningham, Chair

Jim Cunningham provided a summary of activities of the committee since its last report to the Commission. He also updated the Commission on the changes to the membership of the committee. Committee members are working on the following: how to assist the FVA Advisory Committee to promote information about the lottery ticket and vehicle registration donations; how to establish a database of business and media contacts; and the TVC Media Awards. He noted that John Miterko continues to keep committee members informed regarding current legislative bills impacting veterans.

B. Veterans Employment and Training – Richard Hatfield, Chair

Richard Hatfield provided a summary of activities of the committee since its last report to the Commission. He noted that five members attended the 15th Annual Veterans Summit. He provided a document entitled "Understanding PTSD-Dispelling the Myths about PTSD & Other Psychological Health Issues" to the Commissioners. He stated the next meeting will be held on Monday, July 10, 2013 and members will be evaluating employers for the Annual Employers Awards.

C. Fund for Veterans' Assistance – Thomas Smith, Chair

General Smith provided a summary of activities of the Advisory Committee since its last report to the Commission. There was a training session conducted by FVA staff and 6 new Advisory Committee members attended the training session. He noted that members met on May 3, 2013 to review the grant applications. He stated that the Advisory Committee is continuing to coordinate with the Communications Advisory Committee.

D. Veterans County Service Officer (VCSO)– Jimmy DeFoor, Chair

Advisory Committee members met on February 13, 2013. Jimmy DeFoor was elected Chairman and Tracy Little was elected Vice Chair. Committee members discussed a wide variety of ideas and recommendations. He stated three subcommittees will be formed to review the following: the support VCSO's receive from TVC; improving training provided by TVC personnel; and improving communication with TVC. The next meeting will be on May 20, 2013 during the TVC Spring Training Conference in San Antonio.

V. Report, Presentation and/or Action regarding Executive Director Report

Thomas Palladino, Executive Director, provided a review of his visits with staff, public speaking events, future meetings, accolades, and general information items. The current Texas and U.S. Casualty Report was previously provided to Commissioners. He noted that Jeff Williford, Legislative Liaison and Kyle Mitchell, Deputy Executive Director, have been assisting TVC staff with the legislative hearings. He stated that the Texas Coordinating Council for Veterans Services submitted the final report. He announced that the upcoming TVC Spring Training Conference will be held in San Antonio at the Crowne Plaza Riverwalk Hotel.

VI. Report, Presentation and/or Action regarding Legislative Update

Kyle, Executive Director, provided a document to Commissioners that compiled a status of current legislative bills concerning veteran issues. Discussion was made regarding the bill concerning the Hazlewood Act.

VII. Report, Presentation and/or Action on agency programs and divisions

The Commissioners reviewed the Quarterly Program Reports that were previously provided. Directors were provided the opportunity to brief the Commission on any new items or highlight significant items.

- A. Jim Richman, Director of Claims Representation and Counseling, reported on the success of the "Beating the VA Backlog" events. He noted that claims counselors are identifying a significant number of pledge cases. He announced the VA Bosch Video Management System (BVMS) has been implemented but there are technical problems with the scanning process and documents scanned

upside down. He stated the Performance Measures showed to be 2,566 over in variance of service connected claims. He noted the recent Claims program audit resulted in "no recommendations" and he attributes that to the hard work and diligence of his staff. He announced the Claims staff will be a "charter group" for the pilot D2D which will be filing claims electronically and transmitting to the VA electronically. He noted the VA Regional Offices have been instructed by Central Office to rate all of their two year old and older cases within 60 days. He stated the total pending in Houston was 69,476 with 14,175 appeals pending; Waco had 69,924 total pending with 12,997 appeals pending. Mr. Richman announced this is the first time he has reported pending cases total to come down.

- B. Shawn Deabay, Director of Veterans Employment Services, reported on the highlights. There was a major hiring event on April 11, 2013 in Dallas hosted by JP Morgan Chase for military veterans, transitioning service members, Guard and Reserve members and military spouses. The event drew a large attendance of approximately 2,100 attendees which also included 125 employers and 14 veteran service organizations. He also noted that 980 interviews were conducted on site and 105 conditional offers extended to attendees. He noted that Performance Measures are reflecting exceeding measures for the 2nd Quarter Performance Levels.
- C. Rufus Coburn, Director of Veterans Education, reported that compliance visits by TVC staff were at 48% as of May 6, 2013 and staff will continue visits into the 4th Quarter. He noted that the training for the two new hires was nearing completion.
- D. Kathy Wood, Director, Fund for Veterans' Assistance (FVA), reported 70 grant applications were received and were evaluated by three separate FVA staff members. She noted after applications were evaluated they were given to FVA Advisory Committee for funding recommendations. The Advisory Committee met on May 3, 2013 to make funding recommendations which will be given to the Commission at the Special Commission Meeting scheduled for May 20, 2013 in San Antonio. She stated the next round of grant applications will begin on June 10, 2013. The kick-off promotional campaign (Keep the Wheels Turning for Texas Veterans) with the Texas Department of Motor Vehicles will be on May 18, 2013 at the TVC Spring Conference in San Antonio. She noted there will be a training component open to all non-profit veteran organizations at the Spring Conference in San Antonio. The FVA staff will travel to El Paso to conduct grantee monitoring visits and to conduct a grant application training session. She stated the total number of veterans, dependents and surviving spouses served since September 1, 2012 was 5,595.
- E. Cruz Montemayor, Chief Administrative Officer, reported on major activities and accomplishments. Mr. Montemayor provided the 2013 TVC Spring Conference agenda and training sessions to the Commissioners. He noted that Pam Maercklein has been hired to assist in the Women Veterans Program for

Claims. He stated the HR staff is currently working with the TVC internal auditor. The Communication staff will be focusing on promoting the FVA "Keep the Wheels Turning for Texas Veterans" campaign. Rachel Shumaker gave specific details regarding the FVA promotional campaign which will launch in San Antonio at the TVC Spring Conference.

- F. Chip Osborne, Chief Financial Officer, reported on major activities and accomplishments. He stated that all financial reports have been submitted by required due dates. The Finance staff is working to develop and investigate a speedier process to complete travel vouchers. The Finance staff is working to develop and implement a forecast for each Director to keep up-to-date information on available funds for their individual programs/divisions.

VIII. Report, Presentation and/or Action on Appropriation Year 2013 Second Quarter Operating Statement

Chip Osborne, Chief Financial Officer, presented the 2nd Quarter Operating Statement for FY 2013, which was previously provided to Commissioners. Mr. Osborne noted that TVC is currently financially sound per documents provided.

No motion to approve needed.

Chairman Cantu called for a 10-minute recess at 9:28 a.m.

Chairman Cantu reconvened the meeting at 9:44 a.m.

IX. Report, Presentation and/or Action regarding the Texas Veterans Commission Excellence in Media Awards

Rachel Shumaker, Manager for Communications and Veterans Outreach, presented the Texas Veterans Commission Excellence in Media Awards and asked the Commissioners to approve these new awards. She stated that there will be five categories: television, print, photojournalism, radio and student. She noted that if Commission will approve the new awards, the Communication Advisory Committee will recommend nominees to be presented at the next TVC Quarterly Commission meeting.

MOTION: Approve the Recommendation to establish the TVC Excellence in Media Awards as presented.

MADE BY: Secretary McLeon

SECONDED BY: Commissioner Moran

ACTION: The motion passed unanimously.

X. Report, Presentation and/or Action on Quality Assurance Review Report for the Internal Audit Program

Russell Gregorczyk, TVC Internal Auditor, presented the TVC Quality Assurance Review Report on Internal Audit Activity which was previously provided to Commissioners. The January 2013 report by Richard H. Tarr, CISA, CIA, stated the internal audit activity at TVC is in accordance with the Texas Internal Auditing Act and the work by Jansen & Gregorczyk fully complies with all applicable professional auditing standards.

MOTION: Approve the Quality Assurance Review Report for the Internal Audit Program

MADE BY: Vice Chairman Scott

SECONDED BY: Secretary McLeon

ACTION: The motion passed unanimously.

XII. Report, Presentation and/or Action on Draft Internal Audit Report on Claims Representation and Counseling

Russell Gregorczyk, TVC Internal Auditor, presented the final draft report TVC Internal Audit of Claims Representation & Counseling dated April 24, 2013. The report was previously provided to Commissioners. He noted no recommendations were required for the six audit objectives that were established and coordinated with TVC management.

MOTION: Approve the draft of the Internal Audit Report on Claims Representation and Counseling

MADE BY: Secretary McLeon

SECONDED BY: Commissioner Moran

ACTION: The motion passed unanimously.

XII. Report, Presentation and/or Action regarding Draft Request for Proposal for Internal Audit contract services

Chip Osborne, Chief Financial Officer, presented the Draft Request for Proposal for Internal Audit contract services. He noted the Commission must select a provider for internal audit services that will enable the Commission to comply with the Texas Internal Auditing Act. Discussion was made by Commissioners and decision was made to proceed with Request for Proposal (RFP).

No motion required for this item.

XV. Report, Presentation and/or Action regarding Spring Training Conference and Spring Training Conference Curriculum

Jim Richman, Director of Claims Representation and Counseling, presented an overview of the Spring Conference Training Curriculum and examinations to be given at the upcoming Spring Training Conference. The training curriculum and examinations were previously provided to Commissioners.

MOTION: Approve the Spring Training Conference Training Curriculum and Examinations for Veterans County Service Officers and Initial Training

MADE BY: Secretary McLeon

SECONDED BY: Vice Chairman Scott

ACTION: The motion passed unanimously.

XIV. Report, Presentation and/or Action to adopt amendments to Title 40, Texas Administrative Code, Advisory Committees

Karen Fastenau, General Counsel, presented staff's recommendation to adopt Amendments to Title 40 TAC, Section 452.2, Advisory Committees, regarding the selection of the presiding Chair of the committee, which was previously provided to Commissioners.

MOTION: Approve to adopt Amendments to Title 40, Texas Administrative Code, Section 452.2, Advisory Committees

MADE BY: Vice Chairman Scott

SECONDED BY: Commissioner Moran

ACTION: The motion passed unanimously.

XV. Report, Presentation and/or Action regarding participation in the Combined Federal Campaign

Kathy Wood, Director of the Fund for Veterans' Assistance, presented the information regarding the Combined Federal Campaign (CFC). She noted the CFC was the world's largest and most successful annual workplace charity campaign and provides all federal employees the opportunity to pledge donations to eligible non-profit organizations. She stated to participate in the CFC, charities must be an organization with tax-exempt status. The next CFC solicitation period begins September 1, 2013 and ends December 15, 2013. The FVA staff will review and report back to the Commission at a later date regarding the participation in the CFC.

No motion needed for this item.

XVI. Report, Presentation and/or Action regarding Commission Priorities for Grant Funding from the Fund for Veterans' Assistance

Kathy Wood, Director of the Fund for Veterans' Assistance, presented the Commission Priorities to provide guidance to the FVA Advisory Committee in developing funding recommendations and for the Commission to use when considering funding recommendations. She noted four priorities as follows: outstanding grant applications, service categories, geographic distribution, and duplication of service in geographic areas. There was discussion regarding two legislative bills. Senate Bill 664 that would require FVA to conduct an assessment to identify specific high-priority needs of veterans and the services available to address those needs. Senate Bill 898 will propose the establishment, within the Texas Department of State Health Services, a grant program for veterans. She also noted that the Veteran Service Organizations (VSOs) applying for FVA grants, have traditionally responded to the FVA Request for Applications in lower numbers despite the FVA staff's outreach efforts. She noted that the FVA staff recommends that currently established priorities remain in place for the upcoming June/July 2013 Series XIII-B Request for Applications.

No motion required for this item.

XVII. Report, Presentation and/or Action regarding Grant Funding after disasters or emergencies

Kathy Wood, Director of the Fund for Veterans' Assistance, presented the FVA staff recommendation to set aside no more than \$25,000 in funding for Veterans Emergency and Disaster Relief. Tom Palladino noted he would have TVC General Counsel research the recommendation for the emergency funding.

No motion required for this item.

XVIII. Report, Presentation and/or Action regarding Commissioner Travel Policy

Commissioners were provided a copy of the Commissioner's Travel Policy that was approved on June 6, 2012. There were no discussion on the travel policy.

No motion required for this item.

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

Chairman Cantu noted that the next meeting will be on Monday, May 20, 2013 during the TVC Spring Conference in San Antonio at the Crowne Plaza Riverwalk Hotel. The Fourth Quarterly Commission meeting for FY 2013 will be held on Wednesday, August 7, 2013 at 9:00 a.m., SFA Building, Room 170.

XX. Executive Session

No executive session was held.

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

None.

XXII. Adjournment

The Commissioners extended their gratitude to staff for all their support and hard work.

Chairman Cantu adjourned the meeting at 11:23 a.m.

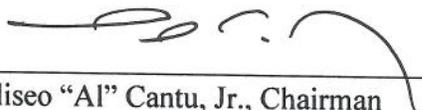
MOTION: Adjourn

MADE BY: Commissioner McLeon

SECONDED BY: Commissioner Moran

ACTION: The motion passed unanimously.

Minutes Approved by:



Eliseo "Al" Cantu, Jr., Chairman

TEXAS VETERANS COMMISSION
3rd Quarterly Commission Meeting
FY 2013 – May 8, 2013
9:00 a.m. – Stephen F. Austin Building -- Room 170
Speakers & Visitors

Charles Cloutman
Meals on Wheels & More

Doug Conrad
Meals on Wheels & More

James Cunningham
Chair, Communications Advisory Committee

Jimmy DeFoor
Chair, Veterans County Service Officer Advisory Committee

Jim Duncan
Past-Chairman, Texas Veterans Commission

Russell Gregorczyk
CPA – Jansen & Gregorczyk
TVC – Internal Auditor

Richard Hatfield
Chair, Veterans Employment & Training Advisory Committee

Harvey King
State Director, U.S. Department of Labor
Veterans' Employment & Training Service

Olie Pope
Travis County Veterans Service Officer

Thomas G. Smith
Chair, Fund for Veterans' Assistance Advisory Committee

Ken Wallingford
Veterans Liaison
Texas Veterans Land Board

Dan West
VFW, Department of Texas
Assistant Adjutant