

Texas Veterans Commission Meeting Minutes

Fourth Quarterly Meeting (FY 2010)
August 13, 2010

I. Call to Order

Chair Rankin called to order the Fourth Quarterly Meeting of the Texas Veterans Commission at 8:35 a.m. on August 13, 2010, in Room 170 of the Stephen F. Austin Building, 1700 N. Congress Avenue, Austin, Texas 78701.

The following Commissioners were present:

Karen S. Rankin, Chair
T.P. O'Mahoney, Vice Chairman
Eliseo "Al" Cantu, Secretary
John B. McKinney, Member

Also present was James E. Nier, Executive Director.

Also present: See the attached list.

Secretary Cantu gave the opening prayer. Commissioner McKinney led the Pledge of Allegiance to the United States flag and the Pledge of Allegiance to the Texas flag.

Chair Rankin opened the meeting with introduction of visitors.

Jim Nier, Executive Director, announced the promotions of Bob Manchester, Houston Regional Director, and Clint Riddell, Computer Support Specialist. He also introduced new employee, Christine Kelm, Marketing Administrative Assistant. Mr. Nier announced the temporary departure of TVC employee Jeff Williford, Marketing Specialist II/Legislative Liaison. His last day with the agency will be September 17 as his battalion will be mobilizing for a combat deployment to Afghanistan early next year. Mr. Nier and the Commissioners thanked Mr. Williford for his service to our country, and to the agency, and look forward to his safe return.

II. Approval of Minutes from June 29, 2010 Special Meeting

The minutes of the LAR Workshop held on June 29, 2010 were previously distributed to the Commissioners.

MOTION: To approve the minutes of the Workshop as presented.

MADE BY: Secretary Cantu

SECONDED BY: Commissioner McKinney

ACTION: The motion passed unanimously.

III. Renewal of Internal Auditor Contract

The proposal to renew the Internal Auditor contract was presented by Irma Rodriguez, Chief Financial Officer, and was previously distributed to the Commissioners.

MOTION: To renew the Internal Auditor contract as presented.

MADE BY: Secretary Cantu

SECONDED BY: Commissioner McKinney

ACTION: The motion passed unanimously.

IV. Report, presentation and/or action regarding Review of Status of Implementing FY 2008 and FY 2009 Internal Audit Recommendations

The Status of Implementing FY 2008 and FY 2009 Internal Audit Recommendations was presented by Russell Gregorczyk, and previously distributed to the Commissioners. Mr. Gregorczyk provided a review of the 5 internal audits that were performed in the last 2 years for the following: Claims Representation and Counseling; Employment Services Contracts with Local Workforce Boards; Human Resources Systems and Controls; Veterans Education Program; and Marketing and Outreach Programs. Discussion was held and revisions made.

MOTION: To approve the Internal Audit status recommendations, with changes as noted.

MADE BY: Vice Chairman O'Mahoney

SECONDED BY: Commissioner McKinney

ACTION: The motion passed unanimously.

V. Internal Audit of Executive Management

The Internal Audit of Executive Management was presented by Russell Gregorczyk, and previously distributed to the Commissioners. Discussion was held and the following revisions were made: The mission statement wording was removed in Recommendation 2 on page 4; and the word "strong" was removed in the Executive Summary section and in the second paragraph on page 6.

MOTION: Approve the Internal Audit of Executive Management, with changes.

MADE BY: Vice Chairman O'Mahoney

SECONDED BY: Secretary Cantu

ACTION: The motion passed unanimously.

VI. Internal Audit Plan for FY 2011

The Internal Audit Plan for FY 2011, and Revision to the Internal Audit Plan for FY 2011 was presented by Russell Gregorczyk, and previously distributed to the Commissioners. The Audit Plan was revised to allow a third audit for the Fund for Veterans' Assistance to evaluate the back-end processes, such as monitoring and close-out of grants. Chair Rankin requested a follow-up of Veterans Employment Services.

MOTION: Approve the Internal Audit Plan for FY 2011, with changes.

MADE BY: Secretary Cantu

SECONDED BY: Commissioner McKinney

ACTION: The motion passed unanimously.

VII. Review and/or action regarding Travel Policy

Vice Chairman O'Mahoney reviewed the revised Travel Policy. The purpose of the proposed changes is to streamline the process and ensure proper coverage at events across the state. Chair Rankin requested to add a provision that Staff will provide a monthly travel schedule to the Commissioners showing upcoming and past events.

MOTION: Approve the Travel Policy, with changes.

MADE BY: Vice Chairman O'Mahoney

SECONDED BY: Chair Rankin

ACTION: The motion passed unanimously.

VIII. Report, presentation and/or action regarding TVC FVA Grants

David Nobles, Director, Fund for Veterans' Assistance, presented the Grant Expenditures for the period ending July 31, 2010, and was previously provided to the Commissioners.

Mr. Nobles presented to the Commissioners for their review a request from Kleberg County for a no-cost, 6-month extension of their existing FVA grant contract that expires on August 31, 2010. Discussion was held on deliverables and the status of grant funds.

MOTION: To approve the contract extension as requested by Kleberg County.

MADE BY: Commissioner McKinney

SECONDED BY: Chair Rankin

ACTION: The motion passed unanimously.

The Commissioners were asked for clarification regarding the approval of future requests for extensions. The Commissioners agreed that for the time being, they want to have the opportunity to review and approve all requests to change deliverables, change funding, or contract extensions. If any other request comes up that has not been discussed, the Commissioners want to hear about it before it is approved.

Mr. Nobles then presented to the Commissioners a request received from the Texas Department of VFW Foundation to change their own program's grant eligibility requirements to allow grant applicants with an honorable or general discharge. The Commissioners agreed no approval was needed for this change.

Mr. Nobles notified the Commissioners that approved grantee, Metroplex Military Charitable Trust, has declined their grant award.

The Commissioners provided guidance regarding the information they want to see for future grant applications. They agreed to receive only the following sections of the completed grant applications: Narrative; Performance Measures; and Budget/Budget Narrative. They specified they do not want to see attachments such as financial audits, IRS Form-990, or IRS nonprofit determination letter.

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

Communications Advisory Committee - Morgan Little, Member

Morgan Little provided an update on items discussed and the activities the committee is undertaking during the last 3 committee meetings. In the meeting held on May 24, the committee met with General Thomas Smith, Chair of the Fund for Veterans' Assistance Advisory (FVA) Committee, to get an update on the FVA and discuss promoting the veterans lottery ticket. At the meeting held on June 21, ideas were discussed on how to promote sales of the ticket. General Smith and staff members from the Texas Lottery Commission were present to answer any questions. Members also discussed the VA initiative on homeless veterans. At the meeting on July 26, the committee discussed plans for new TVC promotion campaigns. A task force was created specifically to work on promoting the veterans lottery ticket. The next meeting of this committee has been scheduled for August 30, 2010.

Employment and Training Advisory Committee – Mike Olen, Chair

Mike Olen provided an update on items discussed and the activities the committee is undertaking from the meeting held on June 10. Mr. Olen presented the five (5) Employer Hire Veterans Award nominations to the Commissioners for their approval.

MOTION: To approve the five (5) Employer Award nominations as presented.

MADE BY: Vice Chairman O'Mahoney

SECONDED BY: Commissioner McKinney

ACTION: The motion passed unanimously.

Mr. Olen thanked Bill Wilson and his staff for the nominations made and quick action to process the nominations. He noted all nominations were worthy candidates. The process will be standardized in the future and a firm deadline established for nominations and awards each year. Mr. Olen reported that he will be turning over the Committee Chair position to Marianne Rogers in San Antonio. Everyone else will be returning except James Clack. The Commissioners thanked Mr. Olen for his service.

Vice Chairman O'Mahoney called for a 10-minute recess at 10:35 a.m.

Chair Rankin reconvened the meeting at 10:45 a.m.

Fund for Veterans' Assistance Advisory Committee

General Smith did not attend the meeting, so there was no committee report.

X. Review and Approve Fall Conference Curriculum

The Fall Conference Curriculum, including course materials, training curriculum, and examinations for Veterans County Service Officers in the accreditation program, and skills assessment for County Service Officers in the certification program were presented by Jim Richman, Director of Claims Representation and Counseling, and previously distributed to the Commissioners.

MOTION: Approve the course materials, training curriculum, examination, and skill assessment as presented.

MADE BY: Commissioner McKinney

SECONDED BY: Secretary Cantu

ACTION: The motion passed unanimously.

XI. Report, presentation and/or action regarding Proposed Review of Agency Rules

Tina Carnes, General Counsel, presented the agency's rules proposed for review and renewal as required to comply with the agency's 4-Year Rule Review Plan. Drafts of the agency's rule chapters were previously distributed to the Commissioners.

MOTION: Approve the agency's rules to be published for review and renewal as presented.

MADE BY: Chair Rankin

SECONDED BY: Commissioner McKinney

ACTION: The motion passed unanimously.

XII. Executive Director's Report

James Nier, Executive Director, reported on general information items, accolades, and on-going projects, and a status report on the TVC Fall Conference.

Mr. Nier included a new report to the Commissioners, Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) U.S. Casualty Status Report. Chair Rankin recommended forwarding this report to the Governor's Office and Lt. Governor's Office on a regular basis.

Mr. Nier announced this was his last Commission meeting as the Executive Director. He expressed what a rewarding job this has been, and what a pleasure it was serving with all the Commissioners, past and present, and how proud he is of Staff.

XIII. Report, presentation and/or action regarding Staff Reports

A. Charles Buerschinger, Deputy Executive Director

Mr. Buerschinger began by announcing this was also his last Commission meeting and expressed his appreciation for the time he has served, noting how much the agency has grown during his tenure. He also thanked Mr. Nier for his service to the agency. Mr. Buerschinger provided a status report on the Action Plan, and opened it up for questions. The Commissioners had no questions, and took the opportunity to thank Mr. Buerschinger for his service to the agency, to veterans, and to the state.

B. Clint Riddell, Information Resources

Mr. Riddell reported making progress on the Internal Audit findings, and will continue to update Action Plan status. He anticipates having all of the items in compliance before the next Commission Quarterly Meeting. Steven Wilkins has submitted the TVC Information Technology Detail (ITD) Report to the Legislative Budget Board (LBB), which accompanies the LAR. Mr. Riddell reported on his new role in the IT Department. He has been designated as the agency's Information Security Officer. He provides Server

and Network Administration with a focus on Security. He also handles E-Mail Management and supports all program areas throughout the state.

C. Bill Wilson, Director of Veterans Employment Services

Mr. Wilson reported on the status of federal funding. Despite a decrease of approximately \$300,000 in funding for Texas, TVC expects to lose no field staff. This will be possible by allowing fourth quarter funding to roll over to offset next year's funding, and the retirement of RVER Jim Martin will result in the consolidation of Regions in North Texas. Region 4 will go away, and Region 3 will become a Super-Region. Mr. Wilson discussed the Federal Register notice of a current Department of Labor rulemaking. Comments are due on September 9, 2010, and the Commissioners can expect to see a draft of TVC's comments no later than September 3. Mr. Wilson discussed the End of Year Performance Summary, then provided an Employer Outreach report, highlighting the efforts and successes of Veterans Outreach Coordinator, Kevin Smith.

D. Jim Richman, Director of Claims Representation and Counseling

Mr. Richman started out by acknowledging the retirement of Mr. Nier and Mr. Buerschinger and their contributions to the agency. He announced Bob Manchester as the new Houston Regional Manager. Claims program will meet or exceed all key measures for this year. Claims counselors continue to participate in Legal Clinics around the state, and are very valuable to that program. Claims Processing Assistance Team (CPAT) has given more than 6,000 claims back to the VA for decision or award action. Mr. Richman announced the VA has not chosen a new Director in Houston. Secretary Shinseki has announced the target for claims will be 120 days with 98% accuracy by 2014. The VA has also announced a test of a paperless claims process that is being tested in Providence, Rhode Island. He concluded his report by saying the number of pending claims is 35,662 in Houston, and 26,476 in Waco; the number of appeals is 13,478 in Houston, and 9,395 in Waco.

E. Rufus Coburn, Veterans Education Manager

Mr. Coburn announced an award given by the Western Association of Veterans Education Specialists (WAVES) association was awarded to Fernando (Fuzzy) Conejo, for outstanding service to veterans. He also announced that the contractor had delivered the Veterans Education database upgrades, and that the upgrades have rendered the database more user-friendly and has enhanced the accuracy of reporting required by our federal contract. He closed by stating he and Connie Jacksits attended the National Association of State Approving Agencies Business and Training Meeting in Denver, Colorado.

F. Irma Rodriguez, Chief Financial Officer

Ms. Rodriguez presented the Third Quarter Operating Statement, noting there was nothing out of the ordinary in the report. She informed the Commissioners the agency is undergoing a Post-Payment Audit from the Comptroller's Office. The report should be out in approximately one month. Ms. Rodriguez stated the Legislative Appropriations Request (LAR) was submitted on August 9, and thanked her budget staff and everyone who contributed to the effort.

G. Cruz Montemayor, Human Resources Director

Mr. Montemayor reported the recommendations from the State Office of Risk Management audit have been implemented. The Veterans Workforce Summary for 2nd Quarter, calendar year 2010 shows 83.2% of TVC staff are veterans, which is the highest in the state. Veterans Education's move to the fourth floor in the Stephen F. Austin building has been finalized and all space requirements have been met. The move-in date is set for June 2011. Mr. Montemayor noted there were 2 items addressed by HR in the Post-Payment Audit. The Employee Assistance Program contract was renewed through 2011.

H. Duncan McGhee, Director of Marketing and Training

Mr. McGhee reported that the 30-second and 60-second Radio PSA spots in English and Spanish were completed last night. The 30-second Television PSA spot is now in production. Distribution is set for September through December. He thanked Legal and Finance for helping to get the necessary contracts approved by the Comptroller. The Facebook strategy is set to launch next month. Marketing is also currently working with Bob Cole and the Veterans Communication Committee to promote lottery ticket sales, and they are looking at demographics, and veteran population by Lottery Commission region, and should have results next month. He noted upcoming press releases and speaking engagements, and provided the results of the survey research performed to determine the level of awareness of TVC among veterans.

XIV. Public Comment

Morgan Little represented the Texas Committee for Employer Support of the Guard and Reserve (ESGR). Mr. Little noted there are currently 193 Ombudsman cases, 177 closed within timelines; 8 in progress; 8 unresolved to Department of Labor. ESGR is also working to expand the reach of Senate Bill 311 (80th R, 2007) to Arkansas, Oklahoma and New Mexico. This bill will protect those who work and live across state lines. Mr. Little reported on the progress of military absentee voting efforts. Testimony was given at the House Defense & Veterans Affairs and Elections Committees on June 10, and the Senate State Affairs Committee on July 14. This would allow military voters, anyone outside their county of residence, to be entitled to have an unmarked ballot emailed to them. This will take care of those overseas, and those in uniform wherever they are.

Mr. Little acknowledged the retirements of Mr. Nier and Mr. Buerschinger from the agency, and expressed his thanks for all their hard work.

Chair Rankin adjourned into Executive Session at 11:44 a.m.

Chair Rankin reconvened in Open Meeting at 11:58 a.m.

Chair Rankin reported the Commissioners discussed in Executive Session the appointment of Jim Richman as Interim Executive Director until a new Executive Director is hired.

MOTION: Approve Jim Richman as Interim Executive Director.

MADE BY: Secretary Cantu

SECONDED BY: Chair Rankin

ACTION: The motion passed unanimously.

XV. Recommendations for Agenda Items for Next Meeting

Chair Rankin requested any items for the next meeting be sent via email.

XVI. Date and Time of Next Meeting

The First Quarterly Meeting for FY 2011 was scheduled for Monday, November 15, 2010 at 8:30 a.m. in Room 170 of the Stephen F. Austin Building, Austin, Texas.

XVII. Commissioners' Closing Comments

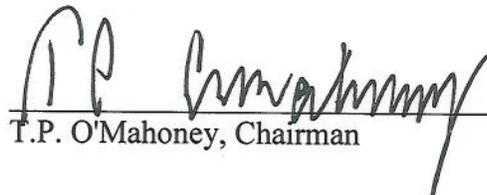
The Commissioners thanked Mr. Richman for accepting the interim position as Acting Executive Director for the agency. They also acknowledged the retirements of Jim Nier and Charles Buerschinger and thanked them for their outstanding service and contributions to the agency over the years.

Secretary Cantu also thanked Ms. Rodriguez and her staff for all their work on the Legislative Appropriations Request.

XVIII. Adjournment

Chair Rankin adjourned the meeting at 12:10 p.m.

Minutes Approved by:


T.P. O'Mahoney, Chairman



TEXAS VETERANS COMMISSION

4th Quarterly Commission Meeting

Fiscal Year 2010

August 13, 2010

8:30 a.m.

SFA Building – 1st floor – Room 170

Russell Gregorczyk

CPA – Jansen & Gregorczyk

TVC - Internal Auditor

Jacinda Johnson

Transition Assistance Advisor, Texas Military Forces, Camp Mabry

Morgan Little

Legislative Affairs Chair, Employers Support of the Guard and Reserve
Chair, Texas Coalition of Veteran Organizations

John McKinny

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

Kyle Mitchell

Governor's Advisor
Office of the Budget, Planning & Policy

Olie Pope

Travis County Veterans Service Officer

Ken Wallingford

Veterans Liaison, Texas Veterans Land Board