

Texas Veterans Commission Meeting Minutes
1st Quarter Commission Meeting (FY 2021)
November 17, 2020

- I. Chairwoman Laura Koerner called to order the 1st Quarter Commission Meeting of the Texas Veterans Commission (TVC) at 9:00 a.m. on November 17, 2020, via live gotowebinar. The following Commissioners, constituting a quorum, were present:

Laura Koerner, Chairwoman
Kevin Barber, Vice Chairman
Kimberlee Shaneyfelt, Secretary
Mike Hernandez, Commissioner
Mary Dale, Commissioner

Also present was Thomas P. Palladino, Executive Director.

Commissioner Secretary Kimberlee Shaneyfelt led the pledge of Allegiance to the United States Flag, and Commissioner Mike Hernandez led the Pledge of Allegiance to the Texas Flag. Chip Osborne led the Opening Prayer.

- II. Public Comment.

Members of the public were encouraged to register for the webinar at the following link:
<https://attendee.gotowebinar.com/register/7107921970176292108>

No public comment was received.

- III. **Approve the Fourth Quarterly Meeting minutes held August 14, 2020, and minutes of the Special Commission Meeting held on September 17, 2020.**

The minutes for the 4th Quarterly Commission Meeting held August 14, 2020, and Special Meeting held September 17, 2020, was previously distributed to the Commissioners.

MOTION: Approve the minutes of the 4th Quarterly Commission Meeting held August 14, 2020, and Special Meeting held September 17, 2020
MADE BY: Commissioner Mike Hernandez
SECONDED BY: Commissioner Mary Dale
ACTION: The motion passed unanimously

- IV. **Report, presentation, and/or action regarding Agency Programs and Division.**

The Commissioners reviewed the Quarterly Program Reports that were previously provided before the Commission meeting.

A. **Charles Catoe, Program Operations Director**, briefed the Commission on the following:
Claims: I just wanted to make you aware that claims hosted a virtual training from 411 Veterans Service Officers serving veterans in Panama, Colombia, and the Dominican Republic on October 5-8, 2020. Our Claims Southeast District worked with our training team and put the event together.

All the feedback was very positive, constructive, and they were able to train these service officers to provide claims services to ex-pats in Central and South America. Microsoft bookings, an extension to Teams, gives all our veterans the ability to schedule their appointments with a Claims benefits advisor and was implemented across the Claims department. Microsoft Bookings has proven to be helpful, and our Veterans love it. Veterans can go into the link provided in their email, or they can go onto the TVC website Claims page, select the service they want and then schedule an appointment. The Claims department is working very closely with the training team, ensuring extensive use of our new learning management system to make training available to both the claims staff and our Veteran County Service Officers. The accreditation training to fulfill that 12-hour annual requirement is now on the learning management system.

Veterans Education: The Hazlewood database repair and suggested improvements were fielded at the end of September, so the reporting and log on issues that plagued the previous version are mostly resolved. However, we are still not happy resting at that point, and we are working with our contractor for more improvements. The Veterans Education Excellence Recognition Award, or VEERA, launched on November 1, 2020, and email messages were sent to all the higher education institutions along with the self-nomination form and instructions, so they will be able to apply for that designation. Veterans Education is also slowly restarting their compliance and risk-based surveys where they can be done safely. This involves traveling to schools and meeting with school officials and looking over paperwork; they are on track right now to complete the required 20% of the annual goal by the end of the first quarter; however, we continue to monitor the COVID situation and will see how that goes.

Veterans Employment: They held their annual training Symposium virtually, October 28-30, 2020. It was three half-day sessions, and they averaged over 150 attendees for each session. Thanks to Chairwoman Koerner, Mr. Thomas Palladino, and Mr. Shawn Deabay for speaking; the staff really appreciated that. VES staff supported the workforce boards and the virtual Red, White, and you hiring event.

Health Care Advocacy: As of October 15, 2020, Health Care Advocacy was able to fill the final vacancy they had in Tyler; they have a full complement of their advocates across the state now.

B. Chip Osborne, Resource Management Director, briefed the Commission on the following: FVA: I want to especially thank Elizabeth Webster from FVA, Communication Coordinator, and Erica Alvarado, the Communication Outreach specialist, for supporting the recent five FVA check presentations. The presentations involved all our commissioners on Facebook Live broadcasts, and an excellent job by those two. This was the first time using the new software FVA, and our Communications and Outreach Department currently have. I look forward to the other programs using this software.

HR: I also want to talk a little bit with you about our HR Department director, Tina Mulberry. She provided me the end of the year turnover rate, which we have to give over to the State Auditing Office. This year, we came in at 12.3% compared to the state goal, which is not to exceed 17%, so we were very successful, being 4.7% below the state ceiling goal.

Emergency Management: All programs in the Steven F. Austin, William B. Travis, and the Chase Park buildings have started coming back into the offices and were going up to 25% occupancy; it has been very successful, and we have not had any issues. However, so you are aware, Tim and I did have an emergency meeting with Mr. Palladino and the executive team. We

have looked at Travis County and have been very concerned with the uptick that has taken place, and we will most likely present to him a letter asking that we fall back to only essential staff. If a director receives new information that there has been a significant increase or that the hospitalization rate in that county has exceeded the Governor's goal of 15%, the director can immediately remove the staff and notify their leadership, so we can forward the information to Mr. Paladino to get his final approval.

Veteran Entrepreneur Program: Lastly, I do want to give a huge shout out to our Veteran Entrepreneur Program, Christina Mortel, for coordinating an excellent presentation with Myra Ingram, the State Comptroller HUB Coordinator. They did this presentation with the Veteran Owned Business Community and provided step-by-step instructions on how a Veteran business can become HUB Certified within the State of Texas.

C. **Shawn Deabay, Deputy Executive Director**, briefed the Commission on the following:

Chairwoman Koerner recognized Executive Director Thomas Palladino for his ten years of service with the Texas Veterans Commission and presented him with a TVC award.

The Government Relations team will be briefing you later concerning the Texas Coordinating Council for Veterans Services report. You will also hear about what the Women's program has been doing when they brief their report; the Communications Team, as you heard from Chip, has been super busy, and kudos to all of them for doing the FVA check presentations that went well with the new software. We have a TVC awards ceremony scheduled for December 17, 2020. We will be finalizing scripts for the award ceremony, and we would love for you to be a part of the awards presentations. Next is the IT team; as you know, they were doing the heavy lifting early in the year to get people ready to work remotely. That has not stopped. A three-person team is keeping the entire agency working remotely, and they do a tremendous job. Later, you will also hear from Darlene Brown, Internal Auditor. They are currently finalizing the internal audit review.

Sunset Update: I want to talk briefly about the timeline; September 1, 2017, is when we had to submit a self-evaluation to Sunset, followed by January 3, 2018, we met with Sunset staff to start that sunset review process through 2018. March 2019, we submitted our management response to Sunset. On June 1, 2019, the Sunset results were published, and then on June 10, 2019, the Governor signed the bill. On October 12, 2020, there was a Sunset management compliance change that I will show you in a moment submitted to the State Auditor's Office. Earlier this month, on November 6, 2020, we submitted the actual Sunset Legislative changes to the Sunset Commission, including both the management and the legislative changes to the Defense and Veteran Affairs Committee.

There are three items in your folder. The first one is the **Agency Deliverables**, which is the document that I have been presenting over the last couple of years. Nothing has really changed since the last time we met, so that is for your information only. The **Veterans Commissions Implementation Chart** is the final report showing the legislative changes. So, if you open that document, that is bill 601. The first one, 5.1, is the most important; it says continue TVC for another 12 years. 5.2 discusses Commissioner training. We added those recommendations to the Commissioner training. The one below that is 1.1. That is the annual evaluation to set priorities for all programs. So, before Sunset, Veterans Employment Services was the only program to set priorities, and that is because it was a requirement from the Department of Labor. We took VES's priorities as a baseline and had all the programs do a similar type of action, so they all have a list

of priorities. **Program operational plan.** All programs have created their priorities. The next one is 1.2, and that is the meaningful outcomes; initially, we had a lot of output measures, not a lot of outcome measures. According to Sunset, we needed to create outcome key measures. To develop new outcome measures, we must track the data for a specific period and then work with LBB to get those implemented into a key measure. Next, 2.1 discussed the need to evaluate and strategically adjust Claims staffing based on employee turnover and needs throughout the state; we addressed this with all the programs; it was accomplished in their Operations Plan. Outcome measures for 2.2 focused on Claims but were discussed in the previous section, where the key and non-key measures were discussed. As I mentioned earlier, then there is just two left. The first one is to remove the military service requirement to be a Veteran County Service Officer. There is nothing for us to do there; however, it was stated that you no longer have to be a veteran to be a Veteran County Service Officer. I believe that was to assist the rural counties in their hiring to make sure they had enough qualified applicants. Finally, this year, we hired Dr. Blake Harris; we needed a director to meet all the core requirements based on the bill stating that the mental health director needs to have a master's or higher in mental health, psychology, or the psychiatric field.

V. **Quarterly Reports from Veterans County Service Officer Advisory Committee.**

Ted Oats, Chairman VCSO Advisory Committee, provided a summary of the Veterans County Service Officer Advisory Committee's activities since their last report to the Commission.

VI. **Report, Presentation, and/or action regarding Advisory Committee membership.**

Shawn Deabay, Deputy Executive Director, presented the Commissioners a report regarding the Advisory Committee Membership application process. Before I get into what the staff recommendations are for the 11 vacancies that we currently have, there were two items that I want to touch on because I felt like those would probably create questions upon seeing the final recommendations. The staggering issue, we want to address our plan to address that issue, and then the second part is I want to go over the process. Additionally, I wanted to address how we selected the members for the committees. Thanks to the legal team for bringing up the staggering concern during the initial process of creating an agenda for this Commission meeting. The Texas Administrative Code was provided to the commissioners for review. The TAC states that the term of office for each member appointed by the Commission shall be staggered for a four - year term. As you know, if we have a completely new committee of nine people, you cannot stagger and have a four-year term. Currently, there is no flexibility within this rule. We plan to recommend a change in the TAC verbiage at the next Commission meeting. If the Commission approves the change, we will have to post it to the register for 30 days, and we will request final approval at the Third Quarterly Commission meeting. A change in the verbiage will give us the flexibility needed to stagger the terms. The next item is the Advisory Committee membership. We wanted to show you the other two Advisory committee members: Veteran County Service Officer and the FVA. The spreadsheet provided reinforces the need to stagger because there will be a complete turnover in a one-year timeframe for both advisory committees. We hope the staggering of terms will ensure no more than 1/3 of the Advisory Committee members leave for continuity purposes in one current year. As the verbiage is, we will have an issue with the new advisory committee as well as the other two. Once we get the wording changed, we will go back through a reappointment process. We will present different recommendations for you all and choose what's best in this situation. The third piece under this folder, you will see 33-A, B, and C. These are the rankings for all three advisory committees. We received around 150 applications and divvied them to the three advisory committees based on the agency's needs. The committee was able to choose

what they wanted, one, two, or three. We separated those and gave them to the director who is leading each advisory committee. They formed a three-person panel to determine who would be the best fit.

MOTION: Approve the Advisory Committee membership.
MADE BY: Secretary Kimberlee Shaneyfelt
SECONDED BY: Vice-Chair Kevin Barber
ACTION: The motion passed unanimously

VII. **Presentation regarding the Texas Coordinating Council for Veteran Services (TCCVS) Report.**

Arnold Alaniz, Government Relations Liaison, presented to the commissioners. The purpose of my testimony is to provide an update regarding the Texas Coordinating Council for Veterans Services Report, which was submitted on time to the Office of the Governor, Lieutenant Governor, Texas Legislature, and Stakeholders. A little bit of background, the Texas Coordinating Council for Veterans Services was established by Senate Bill 1796 from the 82nd Legislature in 2011. The Coordinating Council referred to as TCCVS, comes together to determine the states' unmet needs every two years. The unmet needs can be anything from identifying gaps in services, identifying resources to address needs, or determining how State agencies can better collaborate to serve the state veteran population.

As Texas continues to lead the nation in support of veterans, TCCVS allows state leaders to continue the Texas legacy by boldly addressing the veteran issues and challenges highlighted within the report that the Coordinating Council is tasked to produce. TCCVS consists of 22 participating state agencies. It is important to note that Senate Bill 1796 designates TVC as the Coordinating Council chair, authorizing TVC to set meeting dates and call for votes. I want to thank the state agencies that participated in the Coordinating Council.

The report provided is divided into ten sections, one for each specific workgroup topic. The workgroups were tasked with synthesizing unmet needs under their applicable topic. Each workgroup had at least three separate meetings to determine what unmet needs they would like to submit to the full Council. As the TCCVS coordinator, I was tasked with scheduling and overseeing all meetings, coordinating information between state agencies, and finally collecting all the information and producing a coherent report. Even during a pandemic, all of those involved rose to the occasion to see this coordinated Council through and to create a report that was worthy of submitting. As previously stated, each workgroup met at least three times to determine unmet needs. Draft those unmet needs and consider feedback from the full Council regarding those unmet needs and provide input to those work groups and vote on what would be in the final report.

I want to thank the hard work of everyone involved. We fulfilled the legislative mandate by submitting the report on time to the Office of the Governor, the Lieutenant Governor, the Texas Legislature, and stakeholders on October 1, 2020. The final report is a product of each participating agency's collaborative effort as well as all those involved.

VIII. **Presentation regarding the Women Veterans Report.**

Shawn Deabay, Deputy Executive Director, stood in for Women Veteran Program Manager Krystle Matthews. I will be providing this report on behalf of Elaine Zavala and Dr. Krystle Matthews, who could not be here to give this report. The report

was due and submitted on November 1, 2020, to the Governor's Office, Lieutenant Governor, and the Texas Legislature was prepared by Dr. Krystle Matthews and her amazing team located across Texas. Interesting note, the report talks about the number of women veterans estimated in Texas as 190,366, and it is expected to increase by 7.6% within the next five years. Texas has the most women veterans in the nation. It dives deep into the numbers on the report, the status of women veterans, and then at the end, some of the many recommendations they had. This was a collaborative effort, not just with our agency, but with the Workforce Commission and other state agencies to put all this together. This is the second report that we have submitted.

IX. Presentation regarding the Veterans Treatment Court Report.

Greg Talamantez, Manager of Government Relations, provided the report. Every year not later than December 1st, SB1180 of the 86th Legislature requires the agency to report the following information for the preceding state fiscal year to the Governor, Lieutenant Governor, the Speaker in each member of the Legislature. The number of veteran defendants who participated in each veteran treatment court program, the number of veteran defendants who successfully and unsuccessfully completed each program, and the amount of grant funding each Veteran Treatment Court Program received. The data in the 2020 Veterans Treatment Court Report is presented on an as-is basis as reported by the submitting Veteran Treatment Court. Currently, there are no standardized statewide reporting requirements for Veteran Treatment Courts, and each Veteran Treatment Court has the autonomy to track data at their discretion. Except for TVC Fund for Veteran Assistance grant data, all data in this report was provided voluntarily by Veterans Treatment Courts. Based on their internal data tracking metrics, follow-up questions regarding this report's data should be directed to the respective veteran treatment court. TVC commends Texas' Veteran Treatment Courts' excellent work for their efforts to improve Texas veterans' outcomes and provide them the second chance they have earned; their work truly enhances our veterans' lives. I would also like to commend the TVC Veteran Mental Health Department's efforts to provide training and technical assistance to agencies and organizations spanning the Texas criminal justice system. Their close working relationship with Veteran Treatment Courts enabled the agency to collect the data necessary to produce this report. The difference our Veteran Mental Health Department can make in the lives of justice-involved veterans is truly astounding and a reflection of Texas commitment to improving the quality of life for Texas veterans and their families

X. Report, presentation, and/or action regarding Internal Audits and the FY 2020 Annual Internal Audit Report.

Darlene Brown, Director, McConnell, and Jones provided reports to the Commissioners. Today I have three reports, which are included in item 10 of your folder. We wish to give a sincere thank you to all the staff in the agency that helped us complete the audits, not only those directly involved but also those supporting the activities, so the staff was available to provide us the information we needed.

The first report that I have is the Veterans Education program. The agency has effective management controls and processes in place to ensure that the Veterans Education Program complies with federal and state regulations and internal policies. This audit focused on the following areas, working with education and training institutions, which is very important. The Hazlewood assistance in tracking veterans Education Coordinator Program, and we also looked at the status of the VEERA program. We had no findings or recommendations related to

internal controls or compliance. We provided management with some suggestions to improve their written policies and procedures and assign the workloads for benefit specialists. As the Texas federal population grows and federal requirements increase, this program will need to increase staffing to keep up with the demand for veteran services similar to other programs within your agency.

The second report I have for you today is the Funds for Veterans' Assistance Program. The agency has effective management controls and processes in place that ensure compliance with federal and state regulations and internal policies. We noted that the established procedures ensure consistency, timeliness, and effective program management. Additionally, the program staff and knowledgeable, dedicated individuals strive for continuous improvement, and it's not only the staff within the program itself but also throughout the agency. The FVA program is funded through dedicated lottery ticket sale donations and receives no direct general revenue allocations from the state. Since its inception in 2010, this program has grown exponentially when only 14 grants totaling 3 million dollars were issued to 116 grants totaling \$31,000,000, issued in 2020. FVA staff, along with agency support, have developed a program that is sound, enables services to be provided to numerous veterans throughout the state. For the FVA program to sustain the growth trajectory that they are on while not compromising the internal controls and reputation that are in place, additional dedicated program positions need to be added, funded, and filled. I understand that they are included in the LBB request this year.

The last report I have for you is the fiscal year 2020 Annual Internal Audit Report, and this is a report required by the Texas Internal Audit Act and State Auditor's Office prescribe the content areas. The report summarizes the fiscal year 2020 internal audit activities that we completed, the first annual internal audit plan, and the planned activities for the fiscal year 2021. We have already started the data security audit. We must submit this report to the Governor's office, the Legislative Budget Board, and the State auditor's office.

MOTION: Approve the Internal Audits and the FY 2020 Annual Internal Audit Report
MADE BY: Vice-Chair Kevin Barber
SECONDED BY: Commissioner Mike Hernandez
ACTION: The motion passed unanimously

XI. Report, Presentation, and/or action regarding the Appropriation Year 2020 Fourth Quarter Operating Statement.

Michelle Nall, Chief Financial Officer, provided an Agency Summary regarding Appropriation Year 2020, 4th Quarter Operating Statement, and a summary of the programs' financial activities since its last report to the Commission.

XII. Report, presentation, and/or action regarding grant renewals criteria for the 2021-2022 grant period.

Jim Bracken, Director of Funds for Veteran Assistance, provided an update on the Grant Renewals for the 2021-2022 grant period. I would point out that as we continue forward with this particular grant year, we are still collecting information on performance and expenditures. At the end of the first quarter, the report will reflect that we compared this quarter with the previous two grant years' first quarter to see some lagging indicators for the current quarter. Compared to last year and the

year before, the grant organizations are having a more difficult time serving all the veterans that they planned to serve and spending the grant funding that they had planned to spend or budgeted to spend.

We have incomplete information as of last week, we still were missing roughly 20 individual requests for reimbursements that we could prove, and we also did not have all the performance reports from the first quarter, so the numbers are a little better, so I ask the Commission to look at the bottom of that page. Underneath the table, you will see some overview numbers there were for this part this current quarter 57.25% in the aggregate had not met the first quarter benchmark compared to previous year's first quarters.

Now that number is still below 70%, but we are still missing some data points, so we think it is not going to be as well as the first quarter of last years. But it is not going to be dramatically lower. On the right-hand side of that table at the bottom of the current year under the COVID-19 header, you see that the aggregate expenditures or 18.32%, compared to the first quarter of previous years, is much lower than the trend. Still, again at the time of this report, we did not have 108 reimbursement requests. Now we are down to a blind spot of about 20, so we think that this number will end up above 40%, how far above 20, we do not know, but still a little lower than the trend from previous years. Based on the incomplete information we have as of this morning and knowing that we have a second-quarter report that we will be assembling by the end of January, FVA recommends that we present in February at the second quarter Commission meeting what the data is telling us. If the FVA staff recommends to the Commission that we adjust the renewal criteria for grants, we make that case and provide all the data at that meeting.

Chairwoman Laura Koerner: *Thank you, Jim, and just for the background for the Commissioners. I know there have been several grantees that have been concerned that they may not meet the renewal criteria based on COVID and have already raised a flag of question on that, so we wanted to bring this forward at this meeting, just to start the discussion. To know that we are reviewing it. I'm OK with waiting until the second quarter to make any changes and looking for thoughts from the rest of the Commission.*

Are there any questions?

Secretary Shaneyfelt: *Madam Chair, I tend to agree with you; there's just so much unknown based on not only where we've been with this, but when we come out of it. So, I think it would be prudent to wait one more quarter before making any changes.*

Vice-Chair Barber: *Agreed.*

Commissioner Dale: *Agreed*

Commissioner Hernandez: *Agreed to that, COVID has had a bearing on the numbers, so I would really wait another quarter and see where the numbers are.*

Chairwoman Koerner: *Tom, did you have any comments or anything?*

Executive Director Palladino: *Yes, I think that is a good recommendation that we wait for another quarter of data because we do not have all the grantees' data from the first quarter because of a delay in them sending in all their reimbursement requests. I think we should look at that data because when we do make the adjustment, if the Commissioners do decide to make an adjustment to the renewable criteria, we need to make that on plausible data that we have. When we adjust, what are we going to make the adjustment too? I think that is an important point to make. I think we should wait and then see where the data takes us and see where their performance is compared to last year, second quarter.*

Chairwoman Koerner: *Thank you, Commissioners, Tom, and thank you, Jim.*

XIII. Report, presentation, and/or action to Propose the Review of Agency Rules: 40 TAC Chapter 460, Fund for Veterans' Assistance Program.

Madeleine Connor, General Counsel, provided a summary of the request for review of agency rules, 40 TAC Chapter 460 (FVA). The Texas Administrative Code requires that all state agencies review their rules every four years after their adoption. The last set that passed four years ago is the rules for the FVA. In accordance with the Texas Administrative Code, we must post those on the Texas Register for Public Comment. At that time, we will review the comments, if any. We will do an internal assessment of whether those rules are necessary and still relevant. Ordinarily, what will happen is, say, for instance, if the Legislature repeals a statute that one of the rules supports, relates to, or implements, each agency will review whether that rule is still necessary. In this case, we do not have any executive orders, any repeals of any statutes, or amendment of any statutes. However, we will do an internal review to see if the rules are still relevant and necessary. This is the first piece of the process for the regular rule review, and we will post on the register after this meeting so that the public can comment, and then we will do an internal review with FVA and a legal review.

***Tom Palladino:** Madeleine Connor was elected as a state District Judge for the 353rd District Court of Travis County. So, Judge Madeleine Connor will take office on January 3, 2021, and we are so sorry to see her go. We will recognize her service during the awards ceremony on December 17 and always stay in touch with her.*

***Madeleine Connor:** Thank you, thank you so much. It has been my pleasure, my absolute pleasure, to work for this agency and for you and all the Commissioners and work with all the other people that worked so hard for our Texas veterans.*

Commissioners thanked Madeleine Connor for her service to TVC and Texas Veterans.

MOTION: Approve the Review of Agency Rules: 40 TAC Chapter 460, Fund for Veterans' Assistance Program
MADE BY: Secretary Kimberlee Shaneyfelt
SECONDED BY: Vice-Chair Kevin Barber
ACTION: The motion passed unanimously

XIV. Executive Director report.

Thomas Palladino, Executive Director, provided a report on the agency's priorities and activities over the last quarter, meetings, and events he has attended to include relationships with other State and Federal veteran agencies.

XVI. Executive Session.

None.

XVII. Discussion and take possible action on the items considered in Executive Session.

There were no items to take action on.

XVIII. Discussion to set date, time, and location of next Commission Meeting

The Commission agreed that the 2nd Quarterly Commission Meeting of FY21 would be held on Thursday, February 11, 2021, at 9:00 a.m. via gotowebinar.

XIX. Adjournment.

Chairwoman Koerner asked each Commissioner for any closing remarks.

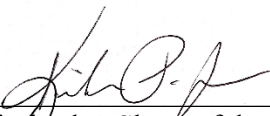
Each Commissioner extended their gratitude to Texas Veterans Commission staff for all their support and hard work in serving Texas Veterans.

Chairwoman Koerner provided closing remarks as well.

MOTION:	Adjourn 1st Quarter Meeting
MADE BY:	Vice-Chair Kevin Barber
SECONDED BY:	Secretary Kimberlee Shaneyfelt
ACTION:	The motion passed unanimously

Chairwoman Koerner adjourned the meeting at 11:00 a.m.

Minutes Approved by:



Kimberlee Shaneyfelt, Secretary



Laura Koerner, Chairwoman