

# Texas Veterans Commission Meeting Minutes

## Third Quarterly Meeting (FY 2019)

May 8, 2019

### I. Call to order.

Chairman Eliseo Cantu called to order the 3rd Quarterly Commission Meeting of the Texas Veterans Commission (TVC) at 9:00 a.m. on May 8, 2019 at the Stephen F. Austin Building, Room 170, 1700 N. Congress Avenue, Austin, Texas 78701.

The following Commissioners, constituting a quorum were present:

Eliseo "Al" Cantu, Jr. Chairman  
Daniel Moran, Vice Chairman  
Kevin Barber, Secretary  
Laura Koerner, Commissioner  
Kimberlee Shaneyfelt, Commissioner

Also present was Thomas P. Palladino, Executive Director.

Also present: See attached list.

Pledge of Allegiance to the United States Flag was led by Vice Chairman Dan Moran and Commissioner Kimberlee Shaneyfelt led the Pledge of Allegiance to the Texas Flag. Chip Osborne Director of Resource Management led the opening prayer.

**\* Introduction of 4 new TVC HQ Staff Members.**

**\*\*Commissioners presented Cruz Montemayor with a retirement certificate and appreciation for his almost 20 years of state of Texas service.**

### II. Public Comment.

Debra Thomas, Rolling Plains Management Corp (Grants)  
Judge Dominique Collins, South Oak Cliff Veterans Court (Grants)  
Susan Gulliver, Baylor Scott and White (Grants)  
Russ Medina, N Power (Grants)  
Christopher Araujo, Easter Seals Central Texas (Grants)

### III. Approve the Minutes of the 2nd Quarterly Commission Meeting held February 6, 2019.

The minutes for the 2nd Quarterly Commission Meeting held on February 6, 2019 were previously distributed to the Commissioners.

**MOTION:** Approve the minutes of the 2nd Quarterly Commission Meeting Held on February 6, 2019 as presented.

**MADE BY:** Secretary Kevin Barber

**SECONDED BY:** Commissioner Kimberlee Shaneyfelt

**ACTION:** The motion passed unanimously.

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

- A. Program Operations Division;
- B. Resource Management Division; and
- C. Deputy Executive Director.

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 that occurred within their program or division.

- A. **Shawn Deabay**, Director of Program Operations, reported on the new Women Veterans Program Manager Krystle Mathews from Houston she will be coordinating the Women Veterans Day on June 12<sup>th</sup>, 2019 at the United Way of Houston. Reported on the progress of the Veteran Entrepreneur Program. Veteran Employment program will be getting an additional \$475,000 from Grant Year 2020. Updated the Claims and Education department on their training and progress.

**Gary Lee**, Manager Healthcare Advocacy Program, brief about the Internal Audit of the TVC Healthcare Advocacy Program conducted by internal auditors McConnell & Jones LLP. The objective of this audit was to determine if management's governance, processes, and internal controls in place are operating effectively to provide reasonable assurance that, HCAP objectives and goals are met and HCAP activities ensure compliance with applicable U.S. Veterans Administration requirements, federal requirements, state statute, and TVC policies.

- B. **Chip Osborne**, Director of Resource Management, reported that Victor Polanco retired March 30, 2019. Human Resources has implemented CAPPS recruit and is now live. Communications now has brochures in Spanish language and Eric Narvaez is out and about in the Texas Counties interviewing TVC personnel and what TVC can do for veterans. Communications has been posting on all platforms of social media with positive reviews. IRM has purchased 25 laptops for the Retrospect program and make it mobile.

- C. **Cruz Montemayor**, Deputy Executive Director, provided an update regarding the Government Relations and Veterans Mental Health, informed that Texas Governor Greg Abbott gave the Texas Veterans Commission a special Vietnam War Veteran Commemorative book, called A Time to Honor: Stories of Service, Duty and Sacrifice to give to all Texas veterans who served in Vietnam.

**Greg Talamantez**, Manager, Government Relations, highlighted bills that passed the 86<sup>th</sup> Texas Legislature and those that are still pending that affect veteran's issues. Sessions ends on May 27, 2019.

**V. Quarterly Report from Advisory Committees (Veterans Communication Advisory Committee, Veterans Employment and Training Advisory Committee, Fund for Veterans' Assistance Advisory Committee and Veterans County Service Officer Advisory Committee)**

Cruz Montemayor, Deputy Executive Director provided a summary of activities conducted by the Veterans Communication Advisory Committee, Veterans Employment and Training Advisory Committee, Fund for Veterans Assistance Advisory Committee and the Veterans County Service Officer Advisory Committee since their last report to the Commission. **VCISO Advisory Committee** met March 19, 2019 and elected a Chair and Vice chair at their meeting. **FVA Advisory Committee** met February 19, 2019, elected a Chair and Vice chair at their meeting and conducted and Grant

Application Presentation Meeting. The **Communications Advisory Committee** last met on April 16, 2019. Made recommendations for nominations to be awarded in the Student, Print, Radio, and News categories. **Veterans Employment and Training Advisory Committee** met 5 March 2019 elected a Chair and Vice Chair and discussed the TVC Employer awards program to include Veteran Employer of the Year, Disabled Veteran Employer of the Year, Veteran Service award, Extra Mile, and Local Workforce Center of the Year awards.

**MOTION:** Approve Communication and Employment and Training awards.  
**MADE BY:** Vice Chairman Daniel Moran  
**SECONDED BY:** Secretary Kevin Barber  
**ACTION:** The motion passed unanimously.

**VI. Report, presentation and/or action on Appropriation Year 2019 Second Quarter Operating Statement.**

Michelle Nall, Chief Financial Officer, provided a summary of the method of finance and expenditure on each program for the 2nd Quarter of FY2019 ending on February 28, 2019. There were no issues and budget is on target at this time.

**\*\*\* 10 minute break 10:35 am  
Return from break 14:45 am**

**VII. Report, presentation and or action regarding recommendations for Fund for Veterans' Assistance grants:**

- A. 2018-2019 General Assistance grants;**
- B. 2018-2019 Housing for Texas Heroes grants;**
- C. 2018-2019 Veterans Mental Health grants;**
- D. 2018-2019 Veterans Treatment Court grants;**
- E. 2018-2019 Veterans County Service Officer grant funding.**

A. Charles Catoe, Director of Fund for Veterans' Assistance and Chuck Wright, Vice Chair of the FVA Advisory Committee gave a presentation the 2019-2020 General Assistance Request for Applications (RFA) was approved by the Commissioners at the August 9, 2018 regular commission meeting and was posted to the Texas Veterans Commission (TVC) website and TVC's Enterprise Grants Management System on September 7, 2018. FVA hosted two informational webinars on September 6, 2018 and October 4, 2018 for potential applicants. Applications were due November 16, 2018. Seventy-eight applications were received, requesting over \$16 million. Thirteen applications were deemed ineligible for evaluation. Staff reviewed and scored 65 applications requesting a total of \$14,085,000.

B. Chuck Wright, Vice Chair of the FVA Advisory Committee gave a presentation the 2019-2020 Housing 4 Texas Heroes Grant Request for Applications was posted to the Texas Veterans Commission website and TVC's Enterprise Grants Management System on September 7, 2018. FVA hosted two informational webinars on September 6, 2018 and October 4, 2018 for potential applicants. Applications were due November 16, 2018. Thirty-seven applications were received, requesting a total of \$9,375,000. Three applications were deemed ineligible for evaluation. Staff reviewed and scored 34 applications requesting a total of \$8,825,000.

- C. Chuck Wright, Vice Chair of the FVA Advisory Committee gave a presentation the 2019-2020 Veterans Mental Health Grant Request for Applications was posted to the Texas Veterans Commission website and TVC's Enterprise Grants Management System on September 7, 2018. FVA hosted two informational webinars on September 6, 2018 and October 4, 2018 for potential applicants. Applications were due November 16, 2018. Forty-five applications were received, requesting a total of \$9,500,000. Four applications were deemed ineligible for evaluation. Staff reviewed and scored 41 applications requesting a total of \$8,500,000.
- D. Chuck Wright, Vice Chair of the FVA Advisory Committee gave a presentation the 2019-2020 Veterans Treatment Court Grant Request for Applications (RFA) was posted to the Texas Veterans Commission website and TVC's Enterprise Grants Management System on September 7, 2018. FVA hosted two informational webinars on September 6, 2018 and October 4, 2018 for potential applicants. Applications were due November 16, 2018. 17 applications were received, requesting a total of \$3,705,000. No applications were deemed ineligible for review. Staff reviewed and scored 17 applications requesting a total of \$3,705,000.
- E. Chuck Wright, Vice Chair of the FVA Advisory Committee gave a presentation the 2019-2020 Veterans Service Officer funding is a set-aside enacted by the 85th Legislature (SB 1679). VCSOs could submit applications for this funding under the General Assistance, Housing 4 Texas Heroes, or Veterans Mental Health grant programs. Three applications were received, requesting a total of \$900,000. All applications were deemed eligible for review. Staff reviewed and scored 3 applications requesting a total of \$900,000.

***\*\*\* Commissioners were given the opportunity to discuss, adjust and add organizations to each of the FVA grant programs for 2019-2020 grant cycle.***

**MOTION:** Approve all five of the 2019-2020 Fund for Veterans Assistance grant programs funding lists as presented  
**MADE BY:** Vice Chairman Daniel Moran  
**SECONDED BY:** Secretary Kevin Barber  
**ACTION:** The motion passed unanimously

**VIII. Report, presentation and/or action to approve the proposed amendments to rules under 40 TAC, §450.1, §450.3, §450.5, and §451.1, §451.3, regarding Veterans County Service Officers Certificate of Training, and Veterans County Service Officers Accreditations.**

Madeleine Connor, General Counsel provided a summary proposed amendments to rules under 40 TAC, §450.1, §450.3, §450.5, and §451.1, §451.3, regarding Veterans County Service Officers Certificate of Training, and Veterans County Service Officers Accreditations. The Texas Veterans Commission (commission) published notice of the proposed amended rules to 40 TAC, Chapter 450, Veterans County Service Officers Certificate of Training: §§450.1, 450.3 and 450.5. The proposed amended rules were published in the May 24, 2019, issue of the *Texas Register* at 44 TexReg 2601 commission. The commission received no comments in response to the amended rules.

**MOTION:** Approve the proposed amendments to rules under 40 TAC, §450.1, §450.3, §450.5, and §451.1, §451.3, regarding Veterans County Service Officers Certificate of Training, and Veterans County Service Officers Accreditations  
**MADE BY:** Commissioner Laura Koerner  
**SECONDED BY:** Vice Chairman Daniel Moran  
**ACTION:** The motion passed unanimously.

**IX. Report, presentation and/or action on the proposed Review of Agency Rules regarding:**

- A. 40 TAC, Chapter 452, Administration General Provisions;
- B. 40 TAC, Chapter 453, Historically Underutilized Business Programs;
- C. 40 TAC, Chapter 455, Taps Program;
- D. 40 TAC, Chapter 456, Contract Negotiation and Mediation;
- E. 40 TAC, Chapter 459, Transportation Support Services; and
- F. 40 TAC, Chapter 461, Veterans Education: i. Subchapter A, Section 461.10 through 461.120

Madeleine Connor, General Counsel explained the purpose of the Proposed Rule Review for each of these chapters is to satisfy the Commission's obligation under Texas Government Code, §2001.039, which requires state agencies to review and consider their administrative rules for re-adoption, amendment or repeal every four (4) years. The review will include an assessment by the Commission of whether the reasons for initially adopting the rules continue to exist.

**MOTION:** Approve the proposed Review of Agency Rules regarding: 40 TAC Chapters 452, 453, 455, 456, 459 and 461.  
**MADE BY:** Commissioner Kimberlee Shaneyfelt  
**SECONDED BY:** Vice Chairman Daniel Moran  
**ACTION:** The motion passed unanimously.

**X. Report, presentation and or action regarding acceptance of gifts.**

Chip Osborne, Director of Resource Management, provided a summary of gifts presented to the Texas Veterans Commission. Harbor Freight donated \$100.00 with recommendation to go to the Women Veterans Program.

**MOTION:** Approve the acceptance of gift total of \$100.00 to the Women's Veteran Program.  
**MADE BY:** Commissioner Laura Koerner  
**SECONDED BY:** Commissioner Kimberlee Shaneyfelt  
**ACTION:** The motion passed unanimously.

**XI. Report, presentation and or action regarding Internal Audit of the TVC Healthcare Advocacy Program.**

Darlene Brown, McConnell & Jones LLP (MJ) serving as the outsourced internal audit function (Internal Audit) for the Texas Veterans Commission (TVC) performed an internal audit of TVC's Health Care Advocacy Program (HCAP). The objective of this audit was to determine if management's governance, processes, and internal controls in place are operating effectively to provide reasonable assurance that: 1. The HCAP objectives and goals are met. 2. The HCAP activities ensure compliance with applicable U.S. Veterans Administration requirements, federal requirements, state statute, and TVC policies. 3. The agency's resources are used efficiently. Our review of the Health Care Advocacy Program resulted in determining that TVC has done a commendable job in implementing a one-of-a-kind program that is needed by Texas Veterans. Great model of reflection rated as effective.

**XII. Report, presentation and/or action regarding Internal Auditor contract services for Fiscal Year 2020.**

Paula Ornelas, Contracts Manager, provided the report regarding the Internal Auditor Contract services of FY 2020. McConnel and Jones contract expired August 31, 2019, today we

present you with 2 options. **Option 1** is to direct the staff to renegotiate McConnell and Jones for 2020 or **Option 2** Direct staff to issue a new solicitation to receive competitive bids for internal auditing services. Staff recommends Option 1 – the Commission would direct staff to renew the contract with McConnell & Jones for FY 2020 at a comparable rate to FY 2019.

**MOTION:** Renew the contract of Internal Auditor to McConnell and Jones for Fiscal Year 2020  
**MADE BY:** Vice Chairman Daniel Moran  
**SECONDED BY:** Secretary Kevin Barber  
**ACTION:** The motion passed unanimously.

**XIII. Report, presentation and/or action regarding Executive Director Report.**

Thomas Palladino, Executive Director, provided a report on the agency's priorities and activities over the last quarter. Mr. Palladino noted all his meetings and events he has attended to include relationships with the Veterans Administration. Chairman Cantu and I testified at the Senate Veteran Affairs and Border Security Committee meeting on February 20, 2019, met with members of DVAC and VABS to answer any questions on the agency's Sunset Advisory Commission recommendations. Commissioner Koerner was the guest speaker at the "I am not Invisible" campaign event on March 27, 2019 which TVC planned and executed. The agency has become more paperless and electronic in most of its programs and systems including disability claims, veteran employment, Fund for Veteran Assistance Grants, and all HR and Finance actions through the Centralized Accounting Personnel Payroll System.

**XIV. Executive Session.**

None.

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

There were no items to take action on.

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

The Commission agreed for the 4th Quarterly Commission Meeting of FY19 be held on Thursday, August 8, 2019 at 9:00 a.m. at the Ronald Reagan Bldg, Room 120.

**XVII. Adjournment.**

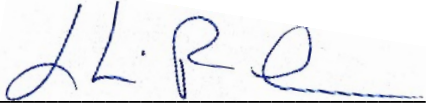
Chairman Cantu asked each Commissioner for any closing remarks. Vice Chairman Scott addressed his retirement and appreciation of the Commissioners and TVC Staff. Each Commissioner extended their gratitude to Texas Veterans Commission staff for all their support and hard work in serving our Texas Veterans. Chairman Cantu provided closing remarks as well.

**MOTION:** Adjourn

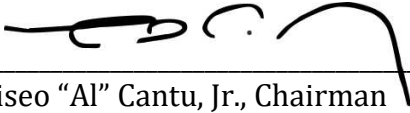
**MADE BY:** Vice Chairman Daniel Moran  
**SECONDED BY:** Commissioner Laura Koerner  
**ACTION:** The motion passed unanimously.

Chairman Cantu adjourned the meeting at 12:48 p.m.

Minutes Approved by:

A handwritten signature in blue ink, appearing to read "K. Barber", written over a horizontal line.

Kevin Barber, Commissioner  
Commission Secretary

A handwritten signature in black ink, appearing to read "E. Cantu, Jr.", written over a horizontal line.

Eliseo "Al" Cantu, Jr., Chairman

**TEXAS VETERANS COMMISSION**

3rd Quarterly Commission Meeting  
FY 2019 – May 8, 2019  
9:00 a.m. – Stephen F. Austin Bldg. Rm 170  
Speakers and Visitors

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**Debra Thomas**

Rolling Plains Management Corp

**Judge Dominique Collins**

South Oak Cliff Veterans Court

**Susan Gulliver**

Baylor Scott and White

**Russ Medina**

N Power

**Christopher Araujo**

Easter Seals Central Texas