

Texas Veterans Commission Meeting Minutes

Fourth Quarterly Meeting (FY 2019)

August 8, 2019

I. Call to order.

Chairman Eliseo Cantu called to order the 4th Quarterly Commission Meeting of the Texas Veterans Commission (TVC) at 9:00 a.m. on August 8, 2019 at the John H. Reagan State office building, Room 120, 1400 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 Secretary Kevin Barber and Commissioner Laura Koerner 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.

II. Public Comment.

Laura Clark, Wise County: Vision of VCSOs

III. Approve the Minutes of the 3rd Quarterly Commission Meeting held May 8, 2019.

The minutes for the 3rd Quarterly Commission Meeting held on May 8, 2019 were previously distributed to the Commissioners.

MOTION: Approve the minutes of the 3rd Quarterly Commission Meeting held on May 8, 2019 as presented.

MADE BY: Vice Chairman Daniel Moran

SECONDED BY: Secretary Kevin Barber

ACTION: The motion passed unanimously.

IV. Annual Election of Vice Chairman and Secretary of Commission.

Nomination was made on election of Vice Chairman of the Commission.

MOTION: To elect Daniel Moran to continue as the Vice Chairman

MADE BY: Secretary Kevin Barber

SECONDED BY: Commissioner Kimberlee Shaneyfelt

ACTION: The motion passed unanimously

Nomination was made on election of Secretary of the Commission.

MOTION: To elect Kevin Barber to continue as Secretary
MADE BY: Vice Chairman Daniel Moran
SECONDED BY: Commissioner Kimberlee Shaneyfelt
ACTION: The motion passed unanimously

V. **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. **Charles Catoe**, Director of Program Operations, reported the agency is well into FY 2020 Operations Planning process, each program is putting together their operations plan and briefing their Division Directors. Veterans Education got their annual VA contract approved comparable to last year's amount. Veterans Employment had training in Dallas, the Executive Director and myself attended. Healthcare Advocacy Program just completed their in-depth training covering the VA's new mission act.

Wes Bryant, Director of Claims, briefed about the hiring of 19 claims benefits advisor, the 86th legislature provided TVC with funding for these new FTEs, most of these positions are to be in rural areas or areas with high veteran population. Claims department personnel performed a statewide assessment based on veteran population, proximity to VCSO offices, TVC offices, and number of claims submitted by each advisor. The Executive Director authorized 12 new claims advisors to be hired by September and another 7 in October.

Krystle Matthews, Women Veterans Program Manager, provided a brief summary of their recent celebration of the Women Veterans Day in Texas on Wednesday, June 12 at United Way in Houston, TX. Real women veterans with real life stories panel was present and briefed the history of Women Veteran's day with 3 proclamations, one from the Governor, City of Houston and the Order of Purple Heart and hosted the "I Am Not Invisible" campaign. Guest speakers were Vice Chairman Daniel Moran and Executive Director, Thomas Palladino. The WVP supported events around the state, Dallas, Abilene and Houston, by recognizing women veterans in the state of Texas. WVP will be bringing on 3 full time employees, they will be located in Austin, Dallas/Ft Worth and Lubbock. Our goal this year is to reach more women veterans with our new employees and creating strong relationships with our community partners.

- B. **Chip Osborne**, Director of Resource Management, reported this quarter was a real whirlwind, we have a lot of folks who have submitted for retirement. A special thanks to David Escamilla, he was the manager of Funds for Veterans Assistance he completed 32 years of state service. Currently we are prepping for the start of the new fiscal year. Claims is in the process of hiring for their 13 new CBA positions. WVP is hiring three FTE's. The Veteran Entrepreneur Program will be hiring one FTE and Anna is working on getting that individual hired by September.

Glenn Tramel, Director of Human Resources, this quarter has been a busy time for HR, hiring FTEs to the programs and adding them through a new HR system called CAPPS recruit. TVC went live in March, all the new hires are virtually done paperless. Our turnover rate in the past was in the low to mid 20% in 2016. We topped out at between 22% and 24%, at the same time we were doing the UT engagement survey letting us know what our employees are saying, we used that and briefed the Executive Director and he tasked us to engage our employees throughout the state to see what they are trying to tell us. We did five different cities, multiple meetings with different level of staff and we came back and put together a series of recommendations for the agency to implement. It seems to be working, for the 2019 year we had 10% turnover rate which is almost unheard of, we had an uptick in the 4th Quarter, we have a 13% turnover rate due to retirements and employees moving around.

Elisabeth Webster, Communications Coordinator, Funds for Veterans Assistance gave an update on the Tour of Texas. Highlighted Chairman Cantu for starting off the first stop of the check presentation in Rio Grande Valley area and Corpus Christi area. Elisabeth provided the Commissioners with a map and documents of the upcoming FVA check presentations. ** Chairman Cantu thanked Elaine Zavala for doing a great job assisting in the process and praised Elisabeth on a job well done, everything was executed with great detail.

- C. **Shawn Deabay**, Deputy Executive Director, provided an update regarding the full-time employees authorized by this past Texas Legislation session, the IT department is working hard getting hardware and software ready for all the upcoming new Full Time Employees so when they start it can be a seamless transition. The communications department has been very busy and have introduced Facebook Live every Friday mornings. Their team goes into the local community and speaks to VCSO; TVC field staff and local community partners to display all the wonderful programs available for veterans and their families. **Chairman Cantu thanked Jim Halbrook from Communications for an outstanding job in setting up the Tour of Texas events.

VI. 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)

Shawn Deabay, 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. Ted Oats Chairman of VCSO Advisory Committee briefed the Commissioners on their new advisory members and advised of their November/December meeting being moved to the Fall Conference to give other VCSOs a chance to get together.

VII. Report, presentation and/or action regarding vacancies, resignation(s) and replacement(s) of Veterans County Service Officer(s) Advisory Committee member(s) and Veterans Communication Advisory Committee member(s).

Shawn Deabay, Deputy Executive Director, briefed the Commissioners on the loss of Advisory Committee members and the hiring process of new applicants to include scoring and recommendations of the current Advisory Committee members. VCSO Advisory Committee is losing two members; one from Beaumont, TX and one from Amarillo, TX. The staff recommended Maricela Gonzales from Seguin, TX and Leonardo Gonzalez from Henderson, TX to fill the two vacancies. The Communications Advisory Committee is losing a member from Kirbyville, TX and recommended Lee Rivas of San Antonio, TX, if approved they will start immediately.

MOTION: Approve Marisela Gonzalez and Leonardo Gonzalez for the VCSO Advisory board and Lee Rivas for the Communications Advisory board.
MADE BY: Commissioner Kimberlee Shaneyfelt
SECONDED BY: Commissioner Laura Koerner
ACTION: The motion passed unanimously

VIII. Report, presentation and/or action regarding Fiscal Year 2020 Annual Internal Audit Plan.

Darlene Brown, Internal Audit Director, McConnell & Jones presented a proposed Annual Internal Audit plan for FY 2020, the process identified high and low risk items. We discussed our proposal with TVC and came up with these two audits for next year's plan. One is for the Veterans Education program and the second is for the Funds for Veterans Assistance program, we believe these are the highest risk areas right now within the TVC. We are seeking your approval to execute this plan for next year.

MOTION: Approve the Fiscal Year 2020 Annual Internal Audit Plan
MADE BY: Commissioner Kimberlee Shaneyfelt
SECONDED BY: Secretary Kevin Barber
ACTION: The motion passed unanimously

IX. Report, presentation and/or action on Appropriation Year 2019 Third Quarter Operating Statement.

Michelle Nall, Chief Financial Officer, provided a summary of the method of finance and expenditure on each program for the 3rd Quarter of FY2019 ending on May 31, 2019. Most of the programs were on target with their spending, a few of them were a little under, the outreach strategy which include Communication, Women Veteran and Mental Health, worked with the program directors in spending their funding and are on target. Healthcare is working with IT to supply their employees with hardware. Hazlewood contracted a programmer to work on their database, and cubicle configurations. The Lottery is doing very well, projecting \$18 million. Set aside the %5 million for the agency contingency plans.

X. Report, presentation and/or action on Fiscal Year 2020 Operational Budget.

Michelle, Nall, Chief Financial Officer provided the report on Fiscal Year 2020 Operating Budget, brief included an Expense Summary and Method of Financing Summary. Michelle outlined what was appropriated from the legislature to the Texas Veterans Commission. She provided a snapshot from the General Appropriations Act, of TVC's go pattern that were awarded from legislature. She discussed the method of financing for each individual program to the commissioners.

Please notice that the Executive Director Thomas Palladino was granted an increase in salary (\$151.123) during the legislative session.

MOTION: Approve the Operating Budget for FY 2020
MADE BY: Vice Chairman Daniel Moran
SECONDED BY: Secretary Kevin Barber
ACTION: The motion passed unanimously

XI. Report, presentation and/or action to Adopt Amendments to Agency 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 amendment; 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 proposed amended rules were published in the May 24, 2019, issue of the Texas Register for 30 days to allow interested persons an opportunity to submit comments. The comment period ended June 23, 2019, with no comments received from the public.

MOTION: Adopt Amendments to Agency 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.

XII. Report, presentation and/or action to Adopt Agency Rules Review 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 TVC staff has determined that the reasons for initially adopting these rules continue to exist. Staff recommends approval of Adopted Rule Review for Chapters 452, 453, 455, 456, 459, and 461 to formally close the 4-year rule review process.

MOTION: Adopt Agency Rules Review 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.

XIII. Report, presentation and/or action regarding implementation of Sunset Advisory Commission Senate Bill 601 for the Texas Veterans Commission.

Shawn Deabay, Deputy Executive Director gave a brief summary concerning the implementation of Sunset Advisory Commission Senate Bill 601 for the Texas Veterans Commission. Reported that Cruz Montemayor was back from retirement to be our Agency Compliance Officer, he will be working with the Division Directors, Department Directors and program managers to ensure that we are in compliance with all the recommendations and requirements set forth, he will be providing update to executive leadership. Reviewed the 2019-2020 Sunset and Statutory Compliance and Review Plan Executive Summary, to include TVC has moved from Annual

Training with recommendation from Sunset, it being too expensive and broke it up into 6 regional conferences, and setting up a process for appointments with the veteran counselors.

XIV. Report, presentation and or action regarding implementation of all legislation from the 86th Legislature affecting the Texas Veterans Commission.

Greg Talamantez, Manager of Government Relations gave a summary of other agency deliverables, has a list of deliverables that are due, and the process of reporting the status of these deliverables to the commissioners.

XV. Report, presentation and or action regarding implementation of Senate Bill 2104.

Greg Talamantez, Manager of Government Relations gave a summary of Relating to the creation of the Texas Veterans County Service Officer Task Force. The task force will come into effect starting on September 1, 2019 it was establish to study the impact and efficacy of officers in the state and examine the duties and all officers (VCSO) in each county, identify the regions of the stat that are in need for officers and determine the types of levels of support needed from the state to better support veterans and their families.

- **10-minute break from 10:30 – 10:40**

Chip Osborne, Division Director of Resource Management, spoke regarding pro bono legal services to veterans, active duty members of the United States armed forces, and members of the state military forces. We would like to incorporate that into a General Assistance Grant and would like to add the pro bono as one of the service categories for this upcoming grant cycle.

XVI. Report, presentation and or action regarding Commission Approval of Fund for Veterans' Assistance 2020-21 Request for Applications (RFAs).

Chip Osborne, Division Director of Resource Management reported on the RFAs are submitted for Commission review and approval and/or guidance as follows;

1. Discussion on the initial steps to implement Senate Bill 2104 by adding "Legal Services" to the Commission Priorities for General Assistance grants this cycle. See RFA page 2, paragraph B. (Full implementation of SB 2104 is planned in the 2021-2022 grant cycle after the rule-making process is completed).

MOTION: Implement Senate Bill 2104 Legal Services to General Assistance grants
MADE BY: Vice Chairman Daniel Moran
SECONDED BY: Commissioner Laura Koerner
ACTION: The motion passed unanimously.

2. Approve publishing the total anticipated amount available across all FVA grant programs for the 2020-2021 cycle as \$28,300,000. See RFA page 2, paragraph D. The accumulative funding level adopted would represent the amount that the FVA Advisory Committee would be limited to when reviewing grant applications and preparing its recommendations minus any funding needed for possible grant renewals for the Commission.

MOTION: Approve publishing the total anticipated amount available across all FVA grant programs for the 2020-2021 cycle as \$28,300,000.
MADE BY: Commissioner Kimberlee Shaneyfelt
SECONDED BY: Secretary Kevin Barber
ACTION: The motion passed unanimously.

3. Discussion on the number of grants each organization will be permitted to receive during one grant cycle. Currently, organizations may apply for one FVA grant in each grant program for which they are eligible, possibly resulting in multiple grant awards in a single grant cycle. For example, presently, a single organization could apply for a General Assistance, Housing for Texas Heroes, and Veterans Mental Health grant at the same time, resulting in multiple grant awards. Should the Commission choose to limit the number of grants available to each organization, FVA staff proposes adding language to all grant program RFAs which limits organizations to submit only one (1) FVA grant application per cycle, across all grant programs, and no organization may have overlapping or concurrent FVA grants. See RFA page 2-3, paragraph E. Counties would be exempt from this restriction, allowing them to apply for a Veterans Treatment Court grant, a Veterans County Services Officer grant, and for a Veterans Mental Health grant, as different departments of the same county are considered separate organizations. See RFA page 2 paragraph E.

MOTION: Limit the number of grants available to each organization

MADE BY:

SECONDED BY:

ACTION: ** No motion passed

4. Discussion on reducing the funding level for all General Assistance grants to \$300,000. Currently, General Assistance grants with a statewide service area are eligible to apply for up to \$500,000 and all other grant programs can apply for up to \$500,000 without any service area requirements. If this policy change is adopted by the Commission, FVA staff proposes a corresponding edit to the General Assistance RFA, capping the level of all General Assistance grants to \$300,000. See RFA page 8, paragraph H.

MOTION: Capping the level of all General Assistance grants to \$300,000

MADE BY:

SECONDED BY:

ACTION: ** No motion passed

MOTION: Approve RFA with 2 modifications;
Pro Bono legal services and publishing the anticipated amount \$28,300,000

MADE BY: Commissioner Kimberlee Shaneyfelt

SECONDED BY: Secretary Kevin Barber

ACTION: The motion passed unanimously.

XVII. 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 \$400.00 with recommendation to go to support veteran programs.

MOTION: Approve the acceptance of gift total of \$400.00 to support veteran programs.
Program.

MADE BY: Commissioner Laura Koerner

SECONDED BY: Commissioner Kimberlee Shaneyfelt

ACTION: The motion passed unanimously.

XVIII. 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.

XIX. Executive Session.

None.

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

There were no items to take action on.

XXI. 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, November 14, 2019 at 9:00 a.m. at the Stephen F. Austin Bldg., Room 170.

XXII. 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

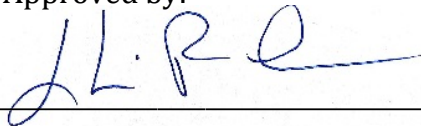
MADE BY: Vice Chairman Daniel Moran

SECONDED BY: Commissioner Laura Koerner

ACTION: The motion passed unanimously.

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

Minutes Approved by:



Kevin Barber, Secretary



Eliseo "Al" Cantu, Jr., Chairman

TEXAS VETERANS COMMISSION

4th Quarterly Commission Meeting FY 2019 – August 8, 2019
9:00 a.m. – John H. Reagan Bldg. Rm 120

Speakers and Visitors

Ted Oats
Hunt County VCSO

Laura Clark
Wise County VCSO