TEXAS VETERANS COMMISSION
SECOND QUARTER COMMISSION MEETING (FY 2026)
Tuesday, February 10, 2026, 09:00 a.m.
George HW Bush Bldg, 1801 Congress Ave, 4.300 Conference room, Austin, TX 78701

MINUTES

I. OPENING

A. Chairwoman Laura Koerner calls the meeting to order at 09:02 a.m.
B. Roll call:

Secretary Chuck Wright informs Chairwoman Koerner that a quorum is present.

Chairwoman Laura Koerner, Vice-Chair Kevin Barber, Secretary Chuck Wright, Commissioner Mike Hernandez, Commissioner Mary Dale
Also present: Executive Director Thomas P. Palladino.

C. Commissioner Mike Hernandez led the Pledge of Allegiance to the United States Flag, and Commissioner Mary Dale led the Pledge of Allegiance to the Texas Flag.
D. Chip Osborne led the Commission in prayer.

II. PUBLIC COMMENT

Individuals who appear for public comment address the commission during their agenda item.

A. David Garza, Webb County Veteran Service Office
B. Robert Heckler, Castle Cares Community Ministries

III. CONSENT AGENDA

Action regarding approval of the Consent Agenda*. Chair Koerner asked if any commissioner wanted to remove anything from the consent agenda and place it on the FY 26, 2Q Commission Meeting agenda. No items were moved to the FY26, 2Q Commission Meeting agenda.*

MOTION: Made by Commissioner Kevin Barber and seconded by Commissioner Chuck Wright to approve the Consent Agenda.
VOTE: 5-0: Motion Passed.

IV. PRESENTATIONS

A. ***Commissioner Recognition.***

i. Commissioners Kevin Barber, Mary Lopez Dale, and Commissioner Mike Hernandez were recognized for completing their service on the commission. They were presented with:
a. Governor's Certificate of Appreciation

b. State of Texas Flag with certificate
c. Commissioner and Executive Director Certificate of Appreciation
d. Bronze Eagle

V. REPORTS

A. ***Report on Agency Departments and Programs.***

i. **Veteran Benefits Division**. **Charles Catoe, Division Director**
   a. FY26, 1Q Performance Measures
   b. HCAD Director Gary Lee retired; Ops Manager William Pryor is interim.
   c. Veterans Education – Hazlewood Database "go live" date - delayed because of minor concerns
   d. Veteran Mental Health – expansion, hiring new people, processes, and transfer of the program from HHSC.
   e. 2025 Veteran Treatment Court Report; presented by Brenda Keller
      • Note: Three Veteran Treatment Courts did not provide data for the report. Chair Koerner asked whether there is a requirement to provide data when the FVA grant agreements are signed, and whether the data could be used for the VTC report. If not, can we add that requirement to the next RFA?

ii. **Veteran Services Division. Employment. Chip Osborne, Division Director**
   a. FY26, 1Q Performance Measures
   b. Change of Department names from Fund for Veterans' Assistance to Grants for Veteran Services

B. ***Deputy Executive Director.*** **Shawn Deabay**

i. FY26, 1Q Performance Measures
ii. Internal Auditor will be reviewing Complaints and Records Retention
iii. Texas Veteran Services Portal – will be used to proactively reach veterans before they need services.
iv. FY26, 1Q Operating Budget; presented by Michelle Nall
v. Social Media Metrics; presented by Margaret Hession

C. ***Executive Director Report***. **Thomas Palladino**

i. **Agency Updates.**

   a. TVC coordinations with multiple agencies
   b. FVA Advisory Committee will meet to provide funding recommendations
   c. LBB instructions forthcoming for Strategic Plan, Operating Budget, Performance Measures
   d. Legislative Appropriations Request will be presented in August
   e. RFA for the new two-year grant cycle 2028

VI. DISCUSSION, CONSIDERATIONS, AND POSSIBLE ACTIONS.

A. ***Action regarding 2025 Excellence in Media Awards.*** Jim Halbrook, Public Affairs Officer, presented this item for consideration.

MOTION: Made by Commissioner Mary Dale and seconded by Commissioner Mike Hernandez to approve the 2025 Excellence in Media Awards.
VOTE: 5-0: Motion Passed.

B. ***Action regarding the recommendation for the Fund for Veterans' Assistance Advisory Committee Members, approving James Murphy as a member of the Advisory Committee.*** Chip Osborne, Division Director, presented this item for consideration.

MOTION: Made by Commissioner Chuck Wright and seconded by Commissioner Mary Dale to approve the recommended Fund for Veterans' Assistance Advisory Committee member, James Murphy, to the committee.
VOTE: 5-0: Motion Passed.

C. ***Action regarding the Fund for Veterans' Assistance Advisory Committee Chair Selection, Richard Delgado.*** Ervey Leos, Director, Fund for Veterans' Assistance, presented this item for consideration.

MOTION: Made by Commissioner Mike Hernandez and seconded by Commissioner Chuck Wright to approve the selection of Richard Delgado for the Fund for Veterans' Assistance Advisory Committee Chair.
VOTE: 5-0 Motion Passed.

D. ***This item was moved on the agenda to after item H.***

E. ***Action regarding the USA Cares GY2025-2026 grant amendment request to increase the grant amount by an additional $250,000.*** Ervey Leos, Director, Grants for Veteran Services, presented this item for consideration.

MOTION: Made by Commissioner Chuck Wright and seconded by Commissioner Mary Dale to approve the USA Cares GY2025-2026 grant amendment request to increase the grant amount by an additional $250,000.
VOTE: 5-0 Motion Passed.

F. ***Action regarding the Webb County Veteran County Service Officer grant amendment request to increase the GY2025-2026 grant amount by an additional $70,000.*** Ervey Leos, Director, Grants for Veteran Services, presented this item for consideration.

PUBLIC COMMENT: David Garza, Webb County Veteran Service Office

MOTION: Made by Commissioner Chuck Wright and seconded by Commissioner Mary Dale to approve the Webb County Veteran County Service Officer GY2025-2026 amendment request for an additional $70,000 in grant funding.
VOTE: 5-0 Motion Passed.

G. ***Action regarding the Alamo Area Council of Governments grant amendment request to increase the GY2025-2026 grant amount by an additional $150,000.*** Ervey Leos, Director, Grants for Veteran Services, presented this item for consideration.

MOTION: Made by Commissioner Mike Hernandez and seconded by Commissioner Chuck Wright to approve the Alamo Area Council of Governments GY2025-2026 amendment request for

an additional $150,000 in grant funding.
VOTE: 5-0: Motion Passed.

H. ***Action regarding the Castle Cares grant amendment request to increase the GY2025-2026 grant amount by an additional $100,000.*** Ervey Leos, Director, Grants for Veteran Services, presented this item for consideration.

PUBLIC COMMENT: Robert Heckler, Castle Cares

MOTION: Made by Commissioner Chuck Wright and seconded by Commissioner Mary Dale to approve the Castle Cares GY2025-2026 amendment request for an additional $100,000 in grant funding.
VOTE: 5-0: Motion Passed.

Return to Agenda Item 6D.

D. ***Action regarding the TVC Commissioners' Conflict of Interest Policy.*** Chip Osborne, Division Director, presented this item for consideration.

Comment: Commissioner Dale, "It says a lot about an agency when they are willing to govern themselves and hold the commissioners to a standard of professionalism, ethics, and to conduct to ensure we are good stewards the state, the people and those who've appointed us as well as to the legislature who've entrusted us to take care of the money".

MOTION: Made by Commissioner Chuck Wright and seconded by Commissioner Mary Dale to approve the recommended Fund for Veterans' Assistance Advisory Committee member.
VOTE: 5-0: Motion Passed.

I. ***Action regarding the Separation of Policy Making and Management Responsibilities.*** Shawn Deabay, Deputy Executive Director, presented this item for consideration.

MOTION: Made by Commissioner Mary Dale and seconded by Commissioner Kevin Barber to approve the Separation of Policy Making and Management Responsibilities.
VOTE: 5-0: Motion Passed.

J. ***Action regarding the Proposed new rule for Title 40, TAC, Chapter 459, New Veteran-Owned Business Verification Letters and Chapter 459.1, Documents Needed to Request a new Veteran-Owned Business Verification Letter***. Megan Tamez, Veteran Entrepreneur Director, presented the item for consideration.

MOTION: Made by Commissioner Mary Dale and seconded by Commissioner Kevin Barber to approve the proposed new rule for Title 40, TAC, Chapter 459, New Veteran-Owned Business Verification Letters and Chapter 459.1, Documents Needed to Request a new Veteran-Owned Business Verification Letter.
VOTE: 5-0: Motion Passed.

K&J: Withdrawn: Health Care Advisory and Veteran Entrepreneur Departments; the government code is very detailed. Some rules were created, but lacked substance and referred back to the Government Code. Given the Government Code's detailed provisions, the executive staff does not believe additional rules are needed.

VII. *Executive Session.*

None.

VIII. *Discussion about setting the date, time, and location of the next Commission Meeting.*

The Commission agreed that the 3rd Quarterly Commission Meeting of FY 2026 would be held on Thursday, May 14, 2026, at 9:00 a.m., at HQ Austin, TX, George HW Bush building, 4.300 conference room.

Subsequently moved to May 21, 2026, at 9:00 am.

IX. *Adjournment.*

Chairwoman Koerner asked each Commissioner for any closing remarks. The Commissioners extended their gratitude to the staff and the Advisory Committee members. The Executive Director extended their gratitude to the Texas Veterans Commission staff for their support and hard work in serving Texas Veterans.

Chairwoman Koerner adjourned the meeting at 11:33 a.m.