

Texas Veterans Commission Meeting Minutes

Third Quarterly Meeting (FY 2018)

May 9, 2018

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 9, 2018 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
Richard McLeon, Vice Chairman
Jake Ellzey, Secretary
Dan Moran, Commissioner
Kevin Barber, 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 Commissioner Dan Moran and Secretary Jake Ellzey led the Pledge of Allegiance to the Texas Flag. Commissioner Richard McLeon led the opening prayer.

II. Public Comment.

None.

III. Approve the Minutes of the 2nd Quarterly Commission Meeting held February 7, 2018.

The minutes for the 2nd Quarterly Commission Meeting held on February 7, 2018 were previously distributed to the Commissioners.

MOTION: Approve the minutes of the 2nd Quarterly Commission Meeting Held on February 7, 2018 as presented.

MADE BY: Secretary Jake Ellzey

SECONDED BY: Vice Chairman Richard McLeon

ACTION: The motion passed unanimously.

IV. 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.

V. Report, presentation and/or action on Appropriation Year 2018 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 FY2018 ending on February 28, 2018. There were no issues and budget is on target at this time.

VI. Report, presentation and/or action regarding Proposed New Administrative Rule 40 TAC Chapter 461, Subchapter B. Veterans Education Excellence Recognition Award (VEERA) Network.

Cruz Montemayor, Deputy Executive Director provided a summary of proposed Amendments to Administrative Rule 40 TAC Chapter 461. VEERA. Commission staff coordinated its review of the proposed new rules with members of The Council of Public University Presidents and Chancellors, the Texas Association of Community Colleges, and Texas Higher Education Coordinating Board. The new rules are proposed as a result of this collaborative review.

MOTION: Approve the Proposed New Administrative Rule 40 TAC, Chapter 461, VEERA Network.

MADE BY: Vice Chairman Richard McLeon

SECONDED BY: Commissioner Daniel Moran

ACTION: The motion passed unanimously.

VII. Report, presentation and/or on Adoption of Amended Administrative Rules: 40 TAC, Chapter 450, Veterans County Service Officers Certificate of Training §§450.1, 450.3 and 450.5.

Madeleine Connor, General Counsel provided a summary of Adoption of Amended Administrative Rules 40 TAC, Chapter 450, Veterans County Service Officers Certificate of Training. 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 February 23, 2018, issue of the *Texas Register* at 43 TexReg 1033 commission. The commission received no comments in response to the amended rules.

MOTION: Approve the Adoption of Amended Administration Rules: 40 TAC, Chapter 450, Veterans County Service Officers Certificate of Training §450.1, 450.3 and 450.5.

MADE BY: Secretary Jake Ellzey

SECONDED BY: Vice Chairman Richard McLeon

ACTION: The motion passed unanimously.

VIII. Report, presentation and/or action on Adoption of Amended Administrative Rules: 40 TAC Chapter 451, Veterans County Service Officers Accreditation §§451.1 and 451.3.

Madeleine Connor, General Counsel provided a summary of Adoption of Amended Administrative Rules 40 TAC, Chapter 451, Veterans County Service Officers Accreditation. The amended rules are

adopted under Texas Government Code §434.010, which provides the Texas Veterans Commission with the authority to establish rules that it considers necessary for the effective administration of the agency; and Texas Government Code §434.038, which authorizes the commission to establish rules governing the training and certification for Veteran County Service Officers and Assistant Veterans County Service Officers.

MOTION: Approve the Proposed Amendments to Administrative Rules 40 TAC, Chapter 451, Veterans County Service Officers Accreditation.
MADE BY: Vice Chairman Richard McLeon
SECONDED BY: Commissioner Kevin Barber
ACTION: The motion passed unanimously.

IX. Report, presentation and/or action on Adoption of Administrative Rule: 40 TAC, Chapter 452, Administration General Provisions: §452.2.

Madeleine Connor, General Counsel provided a summary of the Adoption of Administrative Rule: 40 TAC, Chapter 452, Administration General Provision 452.2. The proposed amended rule was published in the February 23, 2018, issue of the *Texas Register* at 43 TexReg 1037. The commission received no comments in response to the amended rule. The amended rule is adopted under Texas Government Code §434.010 which authorizes the commission to establish rules it considers necessary for its administration; and Texas Government Code Section §434.0101, granting the commission authority to establish rules governing the agency's advisory committees.

MOTION: Approve the Adoption of Administrative Rule: 40 TAC, Chapter 452, Administration General Provisions: §452.2
MADE BY: Secretary Jake Ellzey
SECONDED BY: Commissioner Dan 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. Operation Supply Drop donated to the Women's Veteran Program \$500.00 and West Texas Counseling and Guidance donated \$200.00 to the Women's Veteran Program. A total of \$700.00.

MOTION: Approve the acceptance of gift total of \$700.00 to the Women's Veteran Program.
MADE BY: Commissioner Kevin Barber
SECONDED BY: Commissioner Dan Moran
ACTION: The motion passed unanimously.

XI. Report, presentation and or action regarding Internal Auditor contract services for Fiscal Year 2019.

Paula Ornelas, Contracts Manager, provided the report regarding the Internal Auditor Contract services of FY 2019. McConnell and Jones contract expired August 31, 2018, today we present you with 2 options. Option 1 is to direct the staff to renegotiate McConnell and Jones for 2019 or option 2 is to direct the initiate the RFP process to solicit competitive proposals for internal auditors. Staff recommendation is option 1, Commission would vote to direct the staff to renegotiate the contract renewal.

MOTION: Renew the contract of Internal Auditor to McConnel and Jones for Fiscal Year 2019
MADE BY: Secretary Jake Ellzey
SECONDED BY: Vice Chairman Richard McLeon
ACTION: The motion passed unanimously.

XII. Report, presentation and or action by Veterans County Service Officer Advisory Committee Chairman requesting removal of a Committee Member.

Ted Oats, VCSO Advisory Committee Chairman, presented his case in requesting the Removal of a Committee Member. Member in question does not meet the qualifications, he is a VCSO that works for an organization and accepts money for appeals which is a conflict of interest. Had a meeting with all members of the Advisory Committee and all agree there is a conflict of interest.

*General Counsel Madeleine Connor suggests the commission take issue under advisement and discuss at the next committee meeting and should be discussed with legal counsel perhaps in executive session and any decision made in open session.

*Chairman Cantu recommends tabling the issue until next commission meeting and look at the whole aspect.

MOTION: Table the removal of a Committee Member until next Commission Meeting
MADE BY: Commissioner Dan Moran
SECONDED BY: Secretary Jake Ellzey
ACTION: The motion passed unanimously.

XIII. Report, presentation and or action regarding agency's 2019-2023 Strategic Plan.

Justin Coleman, Government Relations Manager provided a summary concerning the agency's 2019-2023 Strategic Plan. Draft strategic plan is provided, we still have missing pieces of this plan, overall guidelines were sent from the Governor's office in March, since then we have been coordinating efforts. Went into detail on the following subject included in the Strategic Plan; Agency Goals and Action Plan, Redundancies and Impediments, and Budget Structure and Measure Definitions. Requesting approval to submit to the Governor's office after you have reviewed the final document, the due date is June 8th.

*Commissioners recommended a Special Meeting to approve the Agency's 2019-2013 Strategic Plan or to request from the Governor's office an extension until our next Quarterly Commission meeting in August 2018.

MOTION: Request an extension on the Agency's 2019-2013 Strategic Plan from the Governor's office until next Commission Meeting in August 2018.
MADE BY: Secretary Jake Ellzey
SECONDED BY: Commissioner Kevin Barber
ACTION: The motion passed unanimously.

XIV. 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.**

Charles Catoe, Director of Funds for Veterans Assistance and Kerry Reyna, Chair of the FVA Advisory Committee provided a presentation for the General Assistance grants. Provided a list of applications that were recommended and not recommended by the advisory committee. RFAs were approved by Commissioners on August 2017 meeting. Applications were due October 26, 2017, receive 83 applications requesting over 16 million dollars with 10.7 million available for the award. Kerry Reyna expended on the election and voting process of the General Assistance grants.

MOTION: Approve the recommendation for General Assistant grants
MADE BY: Vice Chairman Richard McLeon
SECONDED BY: Commissioner Kevin Barber
ACTION: The motion passed unanimously

*10:36 am - 10-minute break *10:46 am – Return from break

Charles Catoe, Director of Funds for Veterans Assistance and Kerry Reyna, Chair of the FVA Advisory Committee provided a presentation for the Housing for Texas Heroes grants. Provided a list of applications that were recommended and not recommended by the advisory committee. RFAs were approved by Commissioners on August 2017 meeting. Applications were due November 2, 2017, receive 34 total applications requesting over 9.5 million dollars and 6.2 million anticipated available for this award. Kerry Reyna expended on the election and voting process of the Housing for Texas Heroes grants.

MOTION: Approve the recommendation for Housing for Texas Heroes grants
MADE BY: Commissioner Dan Moran
SECONDED BY: Vice Chairman Richard McLeon
ACTION: The motion passed unanimously

Charles Catoe, Director of Funds for Veterans Assistance and Kerry Reyna, Chair of the FVA Advisory Committee provided a presentation for the Veterans Mental Health grants. Provided a list of applications that were recommended and not recommended by the advisory committee. RFAs were approved by Commissioners on August 2017 meeting. Applications were due November 2, 2017, receive 45 total applications requesting total of 9.6 million dollars and 6.3 million anticipated available for this award. Kerry Reyna expended on the election and voting process of the Veterans Mental Health grants.

MOTION: Approve the recommendation for Veterans Mental Health grant
MADE BY: Secretary Jake Ellzey
SECONDED BY: Vice Chairman Richard McLeon
ACTION: The motion passed 3 ayes 1 nay

Charles Catoe, Director of Funds for Veterans Assistance and Kerry Reyna, Chair of the FVA Advisory Committee provided a presentation for the Veterans Treatment Court grants. Provided a list of applications that were recommended and not recommended by the advisory committee. RFAs were approved by Commissioners on August 2017 meeting. Applications were due November 2, 2017, receive 17 total applications requesting total of 2.9 million dollars and 1.9 million anticipated available for this award. Kerry Reyna expended on the election and voting process of the Veterans Treatment Court grants.

MOTION: Approve the recommendation for Veterans Treatment Court grants
MADE BY: Commissioner Dan Moran
SECONDED BY: Vice Chairman Richard McLeon
ACTION: The motion passed unanimously

Charles Catoe, Director of Funds for Veterans Assistance and Kerry Reyna, Chair of the FVA Advisory Committee provided a presentation for the Veterans County Service Officer grants. Texas Government Code §434.017(c-3) and amended §434.017(d) requiring the Commission to adopt rules governing the award of grants to veterans county service offices. 4 applications were received that identified the VCSO as the project coordinator qualifying them for this funding. Requesting total of 830,000 dollars and 1.3 million anticipated available for this award which is the 5% of the total amount by law. Kerry Reyna expended on the election and voting process of the Veterans County Service Officer grants.

MOTION: Approve the recommendation for approve all 4 applications for Veterans County Service Officer grants
MADE BY: Chairman Eliseo Cantu
SECONDED BY: Vice Chairman Richard McLeon
ACTION: The motion passed unanimously

XV. 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. We were briefed by the Veteran Benefits Administration on the new Rapid Appeals Modernization Program (RAMP) at the Frank Tejada Clinic. Chairman Cantu and I testified at the Sunset Advisory Commission Hearing on April 25, 2018. Our testimony focused on the agency response to the staff report and we answered the Sunset Commissioner's questions concerning the report and our implementation of the recommendations

XVI. Report, presentation and/or action regarding Agency Programs and Division.

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.

Shawn Deabay, Director of Program Operations, reported on Program Manuals have all manuals completed before sunset and staff can use as a tool for oncoming staff. Thank the training team for their effort in putting together the programs.

All programs are developing their own annual operation and training plan based upon internal analysis of performance, needs assessments, and customer surveys which will prioritize their services and meet the needs of our customers and our employees.

Ann Baker, Manager Woman Veterans Program, brief about the 1st Annual Women Veteran Day in Austin TX on June 12th at the State Capital on the south steps. Also present and will be recognized is a WWII Women Veteran local Austenite.

Robyn Provost, Manager Veteran Entrepreneur Program, provided an update on the SB1049 Discharge status for Veteran Owned business program, Ensure timely turnaround for SB 1049 verification requests and code generation. As of January 1, 2016, there is now 326,000 veteran owned business in the state of Texas.

**Motion was recommended to excuse Commissioner Jake Ellzey from the meeting due to an urgent matter, the motion passed unanimously.

- B. **Chip Osborne**, Director of Resource Management, reported that during the May timeframe TVC leadership met in a room with VES counselors concern about pay salaries, also from our internal audit it was identified that employees are dissatisfied with pay. Good news is that I have to report is that 211 employees received an equitable adjustment, this was collaboration of HR, Finance and all of the program directors and managers.

Glenn Tramel, Director of Human Resources Department, provided his report on transition to CAPPS is going to replace our legacy system. Our policies and procedure will change and everything we do administratively, to include Timesheet, Travel and Pay and will be getting us out of using paper. Will be providing 7-week user training for at headquarters before the launch on Monday July 16th.

Elaine Zavala, Manager, Communications and Outreach reported on past and upcoming events, Chairman Cantu assisted in presenting the 2017 Excellence in Media award to News 4 San Antonio San Antonio reporter Delaine Mathieu for her story "Onward 2 Opportunity" exemplifies excellence in reporting that fosters public understanding of Texas veterans' issues. The 2018 Excellence in Media Award is now open. Film writing workshop was organized with the New York film academy for veterans interested. Upcoming items include check presentation will be coming up this summer. Updated booklets presented to the commissioners.

- C. **Cruz Montemayor**, Deputy Executive Director, provided and update regarding audit. Covered 3 items concerning Sunset, did an outstanding job. We also receive a briefing on the SAO audit, and the findings show that we did really well.

Tish McCollough, Manager Veterans Mental Health Program, highlighted that in coordination with HHSC will be conducting a Mental Health Summit on June 7th in Pflugerville, TX. Intent of this summit is to identify areas of need in the state of mental health care for veterans and their families.

Justin Coleman, Manager, Government Relations, coordinated the 2018 TVC collaborative forum on March 8 that had over 110 attendees that include other state agencies, service organizations as well as VA and TVC staff. It was aimed to further coordinate efforts to improve service delivery and data sharing within those entities and service to the veterans. Visited Senator Rodriguez and Representative Blanco in their district offices in El Paso. Shawn Deabay, Cruz Montemayor and myself were there to recognize Prudential Financial, Inc with the 2017 Veteran Partnership Award.

XII. Executive Session.

None.

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

There were no items to take action on.

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

The Commission agreed for the 4th Quarterly Commission Meeting of FY18 be held on Wednesday, August 9, 2018 at 9:00 a.m. at the Stephen F. Austin Building, room 170.

XV. Adjournment.

Chairman Cantu asked each Commissioner for any closing remarks.

Vice Chairman Scott addressed his retirement and appreciation of the Commissioners and TVC Staff.

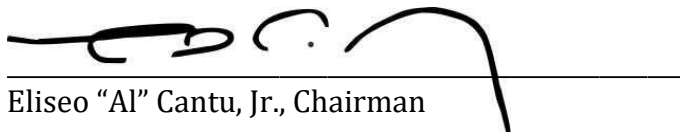
Each Commissioner extended their gratitude to Texas Veterans Commission staff for all their support and hard work in serving our Texas Veterans.

Chairman Cantu provided closing remarks as well.

MOTION: Adjourn
MADE BY: Vice Chairman Richard McLeon
SECONDED BY: Commissioner Dan Moran
ACTION: The motion passed unanimously.

Chairman Cantu adjourned the meeting at 12:40 p.m.

Minutes Approved by:



Eliseo "Al" Cantu, Jr., Chairman

TEXAS VETERANS COMMISSION

3rd Quarterly Commission Meeting
FY 2018 – May 9, 2018
9:00 a.m. – Stephen F. Austin Bldg. Rm 170
Speakers and Visitors

N/A