

Texas Veterans Commission Meeting Minutes

1st Quarterly Meeting (FY 2019)
November 15, 2018

I. Call to order.

Chairman Eliseo Cantu called to order the 1st Quarterly Commission Meeting of the Texas Veterans Commission (TVC) at 9:00 a.m. on November 15, 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
Dan Moran, Vice Chairman
Kevin Barber, Secretary
Kimberlee Joos, Commissioner
Laura Koerner, 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 Laura Koerner and Commissioner Dan Moran led the Pledge of Allegiance to the Texas Flag. Chip Osborne led the opening prayer.

Introduction of new TVC staff members:

Samantha Weaver – Staff Services Officer, Claims
Mitch Holliday – Program Specialist, Veterans Education
Raey Carswell - Program Specialist, Veterans Education
Laura Bivens – VCSO Liaison, Claims
Siobhan Kennon – Legal Assistant, Legal
Anne Basa – HR Specialist, Human Resources
Greg Talamantez – Govt Relations Manager, Govt Relations
Tiffany Lopez – Accountant, Finance
April Pennington – System Support Specialist, IT

II. Public Comment.

None.

III. Approve the Minutes of the 4th Quarterly Commission Meeting held August 9, 2018.

The minutes for the 4th Quarterly Commission Meeting held on August 9, 2018 were previously distributed to the Commissioners.

MOTION: Approve the minutes of the 4th Quarterly Commission Meeting held on August 9, 2018 as presented.

MADE BY: Commissioner Kimberlee Joos

SECONDED BY: Commissioner Laura Koerner

ACTION: The motion passed unanimously

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

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, Division Director of Program Operations, provided updates on the Veterans Education department, indicating that 42,777 veterans and eligible dependents took advantage of the Hazlewood Act, equating to \$234 million in tuition exemptions. Further, more than 60,000 veterans and eligible dependents took advantage of their VA educational benefits. Mr. Deabay indicated that the Healthcare Advocacy program had closed 1,752 cases, and reported that the statutorily required Women Veterans program (WVP) report was timely submitted to the Governors' office on November 1, 2018. Mr. Deabay discussed a WVP event in San Angelo promoting women-veteran entrepreneurship, and noted that Commissioner Koerner had spoken at and attended the event.

Tim Shatto, Director of Veterans Employment Services (VES), gave a brief update concerning significant changes in the program, including that, on October 2, 2018, VES had received final approval from the Department of Labor for annual funding modifications, which caused major shifts in how VES would conduct its business operations going forward. Mr. Shatto explained that he had received approval and exemption authority to assign a district supervisor position to administratively assist the district managers, which would progress on a 5-year state plan, beginning in January.

Victor Polanco, Director of Claims Representation and Counseling, highlighted development of training programs with the National Veterans Legal Services Program (NVLSP), which would provide live and recorded webinars for Veteran County Service Officers (VCSOs) and TVC claims' employees. Mr. Polanco discussed pension law changes, case studies, and appeals' transitions—as well as a push to change the standard length of appointments with veterans from 45 minutes to an hour. NVLSP also suggested that TVC claims post another sign to reflect appointments throughout the week instead of only two (2) days per week.

B. Chip Osborne, Director of Resource Management, gave an overview of TVC's audit history starting with the Sunset Commission's report and followed by summaries of the State Auditor's Office, the Comptroller's audit, and TVC's internal audit. Mr. Osborne indicated that TVC does not shy away from audits, but rather, encourages audits because the audits determine issues that need attention and improvement—whether TVC needs new or modified policies or changes to the provision of services for veterans and their family members. Mr. Osborne concluded that TVC is placing emphasis on making changes to implement the recommendations issued by the Sunset Commission.

Tycin Thompson, Manager of Training and Events Management, provided an update on his efforts with Finance to determine the cost savings in moving from one annual training conference to the five 2018 regional training conferences. Mr. Thompson added that the survey responses received from the regional training conferences were positive, noting that the last regional training conference for 2018 will be the VCSO training in San Antonio December 4-5. It was suggested that dates for the two regional trainings of 2019 will be the last 2 weeks of September and last 2 weeks of October.

C. Cruz Montemayor, Deputy Executive Director, acknowledged the positive trends in Veterans Mental Health Program (VMHP), and he introduced the recently hired Government Relation Manager Greg Talamantez.

Greg Talamantez, Government Relations Manager, gave a brief introduction into his military and civilian background.

Tish McCullough, Director of Veterans Mental Health Program, stated that the community and faith-based partner position has been offered and accepted on December 3, 2018, noting that he is a veteran Marine, and is very motivated. Ms. McCullough continued that she met with Commissioner Koerner in San Antonio for the First anniversary of the felony veteran treatment court, which is an example of hard work by the VA, the district attorney, the prosecuting attorney and everyone on the mentor program. Ms. McCullough added that six contracts were awarded to Veterans Counselors to work with mental health authorities in rural counties located in Waco, Tyler, Abilene, Lufkin, Seguin and Harlingen area.

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)**

James Cunningham, Chair of the Communication Advisory Committee, stated that the Committee was scheduled to meet on October 1, 2018, but it was cancelled due to a lack of a quorum. The purpose of this meeting was to discuss a date and time to award the three "Excellence in Media Awards" approved by the Texas Veterans Commission at the August 9, 2018 meeting. Mr. Cunningham asserted that he will try to have another meeting in January 2019. He continued that the print award will be presented to Shari Biediger with the Rivard Report, the news award will be presented to Tiffany Huertas with KSAT in San Antonio, and the Radio award will be presented in Austin to KOOP radio Michael Brown. Mr. Cunningham added that nominations will open up again on April 1 and closed May 31.

Dr. Jerry Icenhower, Chair of the Veterans Employment and Training Advisory Committee, stated that the committee had continued to work toward identifying employment needs for Veterans and improving partnerships between workforce boards, educational institutes, and employers. He continued that the committee met on September 13, 2018, and reviewed the updated procedures and forms that are to be utilized in the selection of the TVC "Employer of Veterans Awards," and the he had made plans for the mailing of the vetted award packets to each committee member. Mr. Cunningham added that the Vice Chair, Mr. Steven Burke, and Committee Member Dr. Beth Vivaldi, had tendered their resignations, as they were both moving out-of-state. Mr. Cunningham concluded that the next meeting advisory committee meeting was scheduled for December 11, 2018, and it would be held in the conference room of the TVC headquarters.

Ted Oats, Chair of the Veterans County Service Officer Advisory Committee, provided a summary of activities conducted by the Veterans County Service Officer Advisory Committee since their last report to the Commission.

VI. **Report, presentation and or action regarding Advisory Committees Membership.**

Cruz Montemayor, Deputy Executive Director, presented the Commissioners with the Advisory Committee applications and procedures for their review and approval for appointment.

Veterans Employment and Training Advisory Committee candidates presented: Dan Elder, Shelly Mencacci, Dr. Larry Wallace Jr. , Dr. Jerry D. Icenhower (reappointment).

Veterans County Service Officer Advisory Committee candidates presented: Timothy W. Lene, Richard Sanchez, Laura Clark, Spencer Kimball.

Fund for Veterans' Assistance Advisory Committee candidates presented: Carrie Sconza, Dale Wallace, Dan Ball, Kerry Reyna (re-appointment) Robert O'Reilly (re-appointment).

Veterans Communication Advisory Committee candidates presented: William Pate, Earl St. Clair Newsome III.

MOTION: To Approve the Advisory Committee Membership candidates

MADE BY: Vice Chairman Dan Moran

SECONDED BY: Commissioner Laura Koerner

ACTION: The motion passed unanimously

VII. Report, presentation and/or action regarding Annual Evaluation of Advisory Committees.

Communications Advisory Committee: The committee frequently discusses ways to increase the visibility of the programs and services of the Texas Veterans Commission throughout the state. The committee also annually reviews nominations and makes recommendations to the Commissioners to award the Texas Veterans Commission Excellence in Media Awards.

Veterans Employment and Training Advisory Committee: After instituting the Employer Awards in 2009, the program continues to evolve by adding value to the process and credibility with the State's veteran friendly employers. The committee also strives to improve partnerships with workforce boards and recommends training opportunities to enhance marketability of veteran job seekers.

Fund for Veterans' Assistance Advisory Committee: The committee members bring a considerable amount of experience to the process, and they work diligently to make funding recommendations to the Commission. This committee's recommendations have resulted in the award of more than \$ 110 million since the inception of the Fund. The committee is an integral part of the grant-approval process.

Veterans County Service Officer Advisory Committee: The committee members bring a considerable amount of experience and provide recommendations to the program. This committee's recommendations have resulted in VCSOs providing training at TVC Conferences as well as to TVC staff and their greater overall partnership with VCSOs. This consolidated effort has resulted in increasing the effectiveness of the overall VCSO training program.

Committee Summary and Recommendation: Overall, each of the four committees has proven useful in advancing TVC's overall mission and, each has contributed in their respective areas. It is the recommendation of the staff that the Commission make a motion to allow all four committees to continue until the next Commission review in Fall 2019.

MOTION: Approve the continuation of the Advisory Committees

MADE BY: Commissioner Kimberlee Joos

SECONDED BY: Secretary Kevin Barber

ACTION: The motion passed unanimously

VIII. Report, presentation and/or action regarding CAPPS Internal Controls Internal Audit.

Jay Reyes, Auditor, McConnell & Jones LLP (MJ) performed an internal audit of the Texas Veterans Commission Centralized Accounting and Payroll/Personnel System (CAPPS) internal control environment for the CAPPS Financials modules that TVC implemented. The Auditor explained that he conducted interviews, reviewed written procedures and performed audit testing on access rights and role permissions associated with TVC's CAPPS Financials. The auditor also reviewed the management of financial information used to support budgeting, financial accounting and procurement. The stated objectives of this review were to assess the Texas Veterans Commission's processes and internal controls that govern CAPPS Financials, stating that internal audit categorizes controls-as Effective, Some Improvement Needed, Major Improvement Needed, Unsatisfactory and Best Practices. This audit resulted in findings that led to an overall internal control rating of "some improvement needed." The auditor informed the commission that TVC has since updated all user roles as soon as the audit finding of "some improvement needed" was brought to its attention., changing user's roles to be based their current position within the agency.

MOTION: Approve the continuation of the Advisory Committees
MADE BY: Commissioner Laura Koerner
SECONDED BY: Vice Chair Dan Moran
ACTION: The motion passed unanimously

IX. Report, presentation and/or action regarding Veteran's Employment Services Program Federal Reimbursement Processes Internal Audit.

This item was tabled until the next Commission Meeting on February 6, 2019.

X. Report, presentation and/or action regarding FY 2018 Annual Internal Audit Report.

McConnell & Jones developed the fiscal year 2019 Annual Internal Audit Plan based on results of a risk assessment. The risk assessment included reviewing the agency's strategic plan, the Legislative Appropriations Request, and policies and procedures, and analyzing the agency's financial reports facilitated by conducting discussions with management. The auditor stated that the assessment evaluated risk exposures relating to TVC's governance, operations, and information systems regarding the reliability and integrity of financial and operational information; effectiveness and efficiency of operations; safeguarding of assets; and compliance with laws, regulations, and contracts. A report was presented, and questions were asked of the auditor that could not be answered. The questions were effectively tabled until the next commission meeting.

XI. Report, presentation and/or action regarding Appropriation Year 2018 Fourth Quarter Operating Statement.

Michelle Nall, Chief Financial Officer, provided the Agency Summary regarding Appropriation Year 2018, 4 Quarter Operating Statement.

XII. Report, presentation and/or action proposed amendments to rules under 40 TAC, §§450.1(1) §§450.3(b)(c)(d)(h), §§450.5(a), and §§451.3(f), regarding Veterans County Service Officers Certificate of Training, and Veterans County Service Officers Accreditations

Madeleine Connor, General Counsel, provided a summary of the proposed amendments to administrative rules 40 TAC, §§450.1(1) §§450.3(b)(c)(d)(h), §§450.5(a), and §§451.3(f). The General Counsel explained that the amendment was necessary because since the adoption of the rules, implementing had become difficult and impractical in one narrow regard: the deadlines and requirements

in the new rules did not align with the fiscal year, as required by Tex. Gov't Code § 316.071 ("Appropriations of state government shall conform to [the] fiscal year" running from September 1 through August 31).

MOTION: Approve the proposed amendments to rules under 40 TAC, §§450.1(1) §§450.3(b)(c)(d)(h), §§450.5(a), and §§451.3(f)
MADE BY: Secretary Kevin Barber
SECONDED BY: Commissioner Kimberlee Joos
ACTION: The motion passed unanimously

XIII. Executive Director report.

Thomas Palladino, Executive Director, provided a report on the agency's priorities and activities over the last quarter. Mr. Palladino provided information on meetings that involved the Veterans Administration and the National Association of State Director for Veteran Affairs (NASDVA). Mr. Palladino discussed the five successful regional training events which included claims training across the state: Dallas Houston, San Antonio, El Paso and Austin. Mr. Palladino added that he and Chairman Cantu had testified at the Joint Budget Hearing on September 13, 2018 at the State Capitol. Mr. Palladino said he had also participated in the annual Texas Veterans Higher Education Symposium on October 11-12th in Austin hosted by the UT and Texas A&M. Mr. Palladino further noted that all of the TVC Commissioners and respective staff supported and participated in the annual "Red, White and You" veteran job fairs on November 8, 2018, explaining that the events were hosted by the 28 Workforce Boards in Texas.

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 that the 2nd Quarterly Commission Meeting of FY19 would be held on Wednesday, February 6, 2019 at 9:00 a.m. at the Stephen F. Austin Building, room 170.

XVII. Adjournment.

Chairman Cantu asked each Commissioner for any closing remarks.

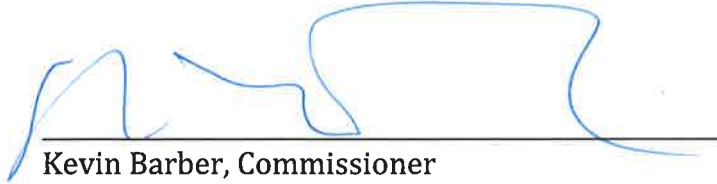
Each Commissioner extended their gratitude to Texas Veterans Commission staff for all of their support and hard work in serving Texas Veterans.

Chairman Cantu provided closing remarks as well.

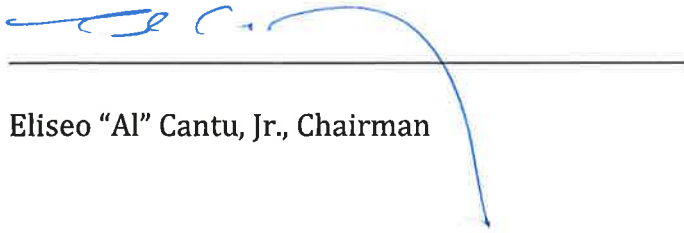
MOTION: Adjourn
MADE BY: Vice Chairman Dan Moran
SECONDED BY: Commissioner Laura Koerner
ACTION: The motion passed unanimously.

Chairman Cantu adjourned the meeting at 10:48 a.m.

Minutes Approved by:



Kevin Barber, Commissioner
Commission Secretary



Eliseo "Al" Cantu, Jr., Chairman

TEXAS VETERANS COMMISSION

1st Quarterly Commission Meeting
FY 2019 - November 15, 2018
9:00 a.m. - Stephen F. Austin Bldg. Rm 170
Speakers and Visitors

James Cunningham

Chair, Communication Advisory Committee

Ted Oats

Chair, Veterans County Service Officer Advisory Committee

Jerry Icenhower

Chair, Veterans Employment and Training Advisory Committee

Jay Reyes

Auditor, McConnell & Jones LLP



WELCOME
to the
TEXAS VETERANS COMMISSION
1st Quarterly Commission Meeting

Fiscal Year 2019
November 15, 2018 9:00 a.m.
Stephen F. Austin Bldg. - Room 170
1700 N. Congress Ave., Austin, Texas 78701

Name - Please Print Clearly

Name of Organization/Agency

Email Address

James Cunningham

Comm Advisory Cntr

Ter Oats

CSO Advisory Committee

Sam Weaver

TVC

Jimmy Ice

TVC

Rae Carswell

TVC

Mitch Holiday

TVC

G. Lee

TVC