From:	Sunset Advisory Commission
To:	Jalisa Broussard
Subject:	FW: TWC Sunset Review Public Comment
Date:	Wednesday, July 1, 2026 8:04:43 AM

From: Mitzi Stolarski < >
Sent: Tuesday, June 30, 2026 5:36 PM
To: Sunset Advisory Commission <sunset@sunset.texas.gov>
Subject: TWC Sunset Review Public Comment

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Please submit this thread to the public comments records for the Texas Workforce Commission Sunset Review.

I'd also like to schedule a day and time to testify.

Mitzi Stolarski

---------- Forwarded message ---------
From: **Mitzi Stolarski** < >
Date: Tue, Jun 30, 2026 at 12:50 PM
Subject: Re: Retaliatory termination used to conceal documented governance failures — demand for investigation and correction
To: Trobman,Les <les.trobman@twc.texas.gov>
Cc: robert.black@gov.texas.gov <robert.black@gov.texas.gov>, auditor@sao.texas.gov <auditor@sao.texas.gov>, Esparza,Joe <joe.esparza@twc.texas.gov>, Trevino III,Alberto <alberto.trevino@twc.texas.gov>, Connett,Brent <brent.connett@twc.texas.gov>, Pier,Steve <steve.pier@twc.texas.gov>, eric.beverly@sunset.texas.gov <eric.beverly@sunset.texas.gov>, picc@traviscountytx.gov <picc@traviscountytx.gov>, oig@twc.texas.gov <oig@twc.texas.gov>, pat.curry@house.texas.gov <pat.curry@house.texas.gov>, White,Jerry R <jerry.white@twc.texas.gov>

I am writing so that the record — and the other recipients of this correspondence — accurately reflects the scope of what was submitted on June 25. These go far beyond an employment dispute and EEOC matters, **they involve matters of public concern** and reflect systemic issues occurring within the Texas Workforce Commission, demonstrating failures in governance, controls, due process, labor law and PIA adherence, and basic human decency and civil rights.

I will begin with a point that responds directly to your characterization. You state that the agency will "continue to participate" in the active charge before the Equal Employment Opportunity Commission (EEOC). For the benefit of the authorities copied here: **the charging party agreed to resolve this dispute through mediation offered by the EEOC** — a brief, low-cost process designed for efficient resolution — and the **Texas Workforce Commission declined to mediate**.

Declining an available, low-cost resolution in favor of prolonged proceedings is a **wasteful** use of public resources: the agency has committed the State's legal resources and Texas taxpayer funds that mediation could have resolved at minimal expense.

The agency's refusal is especially notable because the Texas Workforce Commission, through its Civil Rights Division, operates and actively promotes a free mediation program. In its own materials, the agency advises employers that mediation offers "a quick, private, and cost-effective way to resolve workplace issues" and can "solve your case much faster than waiting for an investigation." The agency urges this resolution on the employers whose discrimination complaints it handles — yet, when it was itself the employer and mediation was offered, it declined.

Your response treats this as just a matter before the EEOC. The **active** EEOC charge is one part of it. The June 25 communication raised a broader set of governance, accountability, and rights-based concerns that fall outside the EEOC's jurisdiction — several of which were independently confirmed last month by the staff review of this agency conducted by the Sunset Advisory Commission, the body the Legislature charges with evaluating state agencies.

That confirmation bears directly on why these matters extend beyond an employment charge. Before his termination, Mr. Stolarski reported irregularities in the agency's information-technology (IT) contracting and hiring to the agency's own fraud-detection function. The Sunset staff review then found that the agency's IT modernization is so poorly governed that it "compromises the effective delivery of workforce and child care services to Texans"; that the agency's own Fraud Deterrence and Compliance Monitoring Division was "entirely omitted from the agency's formal procurement processes"; and that the agency's contract specifications were kept "deliberately vague." An independent state body has now documented the substance of what Mr. Stolarski reported before he was removed.

The Sunset staff review also described the institutional condition Mr. Stolarski was working against. It found that "transformative changes have stalled, and the agency has often fallen back on a reactionary, business-as-usual mindset," and that, lacking an agencywide IT strategic plan, "the agency is stuck in a reactionary mode." Mr. Stolarski was an employee who identified these very problems and attempted to address them — raising contracting, security, and records concerns through internal channels and to the agency's fraud function. He was terminated.

The IT leadership in place during the period the review describes has largely been retained. An agency that an independent state review found resistant to change removed an employee who was trying to change it, while retaining the leadership in place as those conditions developed.

The matters submitted, which the EEOC has no jurisdiction to resolve, include the following.

1. Failure to follow the agency's own processes, and the mischaracterization of

protected activity. The findings in Mr. Stolarski's pre-termination notice were finalized, submitted to agency leadership, and placed in his personnel file **before he was ever interviewed or asked for his account** — and he was charged based on records of his own email activity while suspended and cut off from the records he would have needed to respond. Among the conduct the notice treated as improper was his logging in during leave, which he did to retrieve and read the results of his own discrimination complaint, **sent only to his work email and otherwise inaccessible to him**. Every action he took during that login was **protected activity**: retrieving his own complaint results, reviewing his own pay records, and reporting a matter to law enforcement. **This reflects a failure of basic administrative process and fair procedure, squarely within the interest of the State Auditor's Office and the Sunset Commission.**

2. An internal-complaint process routed through the officials the complaints concerned. The agency's own June 24, 2025 findings memorandum directed that "an IT manager or director will be assigned to assist with all internal complaints" by Mr. Stolarski. Several of his complaints concerned the conduct and decisions of IT leadership itself, including its handling of his earlier discrimination complaint and its records practices. The agency thus designated the very division that was the subject of his complaints as the channel for handling them. **Sixteen days later**, IT leadership issued his pre-termination notice. Routing an employee's complaints back to the officials those complaints implicate — and then removing the employee through that same chain of leadership — is a **structural conflict of interest** and the absence of any meaningful, impartial internal-complaint process. **This is a governance failure within the interest of the State Auditor's Office and the Sunset Commission.**

3. Interference with rights under the Family and Medical Leave Act (FMLA). On July 10, 2025, Director Thomas Beckley issued the pre-termination notice and placed Mr. Stolarski on suspension while he was on approved FMLA medical leave — a fact the notice itself acknowledges in stating that he "logged in while out on approved leave." This required him to mount a formal defense to a proposed termination during protected medical leave, while medically unable to do so. Interference with the exercise of FMLA rights is a strict-liability violation under federal law (29 U.S.C. § 2615(a)(1)); it does not require proof of intent. The act of burdening protected medical leave in this manner is itself the violation. Director Beckley, who signed both the notice and the subsequent termination, was later **promoted** to Deputy Chief Information Officer after the agency had been informed of these matters. While FMLA enforcement rests with the U.S. Department of Labor, this conduct reflects the same pattern of process and labor-law failures relevant to the State Auditor's Office and the Sunset Commission.

4. Whistleblower retaliation. Mr. Stolarski made reports to law enforcement, which are protected under the Texas Whistleblower Act. The pre-termination notice characterized these reports as "personal communications to multiple outside entities" rather than as the protected reports to law enforcement that they were. His protected activity was nonetheless identified, in the agency's own notice, as a basis for the action against him.

5. Falsification of official labor records charged to federal funds. Hours Mr. Stolarski did not work were entered into the State's official timekeeping system (CAPPS) and then used to support charges in the pre-termination notice, including the allegation that he conducted "personal business on agency time." Before those hours were entered, Mr. Stolarski told

Suzanne Hays — the IT division's Human Resources liaison — in a Microsoft Teams call that he was not working but was attending to his own discrimination complaint and related matters, and he instructed that the time not be recorded as work hours. The hours were entered notwithstanding that instruction, after which he objected again in writing to Ms. Hays and Director Beckley.

I, Mitzi Stolarski, was present for and personally heard that Teams call; I am a direct witness to his statement that he was not working and to his instruction that the hours not be recorded. The agency thus generated the very records on which it then predicated charges against him. **Because the agency operates substantially on federal funds subject to federal time-and-effort requirements, the integrity of these labor records is within the State Auditor's jurisdiction.**

6. Contracting and procurement failures — independently confirmed by the Sunset Advisory Commission's June 2026 staff report, as described above.

7. Transparency and public-information failures. The agency withheld records for 99 days in defiance of a binding Attorney General ruling. The Office of the Attorney General issued Ruling OR2025-034676, which the agency received on September 29, 2025, ordering the release of investigation records. The agency did not produce them until January 6, 2026 — 99 days later — and only after Mr. Stolarski inquired about the status. Throughout that period, the agency's public-records portal reflected the request as still awaiting the Attorney General's response, when the Attorney General had already ruled.

8. Records-destruction exposure. The agency's Microsoft Teams retention policy permanently deletes all Teams messages — one-to-one chats, group chats, and meeting chats — after 30 days, unless an employee manually saves them. Because much of the relevant communication in this matter occurred over Teams, this policy places communications that may constitute state records, that may be responsive to open-records requests, or that are subject to a legal hold, at risk of permanent destruction before they can be identified or preserved.

These matters are properly directed to, and are being pursued through, the appropriate authorities — including the U.S. Department of Labor, the Texas State Auditor's Office, and the Sunset review process — independent of the EEOC proceeding, and they are not resolved by the agency's participation in it.

I also note that the June 25 communication renewed a formal demand for a name-clearing hearing. The **false and stigmatizing** findings in Mr. Stolarski's pre-termination notice were never tested through any process in which he could respond before they were reached. That notice has since been produced by the agency in response to a public-information request and remains in his personnel file, which the Office of the Attorney General has confirmed is publicly accessible. **Mr. Stolarski is entitled to a hearing to clear his name. That demand remains outstanding and unaddressed.** We renew it and ask that the agency respond to it directly.

Taken together, these matters reflect more than an individual employment dispute. They show a pattern: the disregard of the agency's own processes and policies; an internal-complaint process routed through the very officials being complained about; interference with protected medical leave; the use of inaccurate records to support charges; and the mischaracterization of protected activity as misconduct. T**he agency's own June 24, 2025 findings memorandum substantiated that it had mishandled Mr. Stolarski's discrimination complaint, and expressly reminded him that retaliation for filing a complaint was prohibited—sixteen days before it issued the pre-termination notice in retaliation.**

Separately, an individual whose conduct the agency's own findings confirmed was inappropriate received a merit pay increase, reflected in the State's public salary records.

Beyond the specific legal violations, the agency's conduct reflects a basic failure of decency. Mr. Stolarski was in a documented medical crisis, on leave approved by his physician, when the agency notified him that it intended to end his career and required him to defend himself against that action — while he was medically unable to do so, suspended, and cut off from the records he needed to respond. Whatever the legal characterization of each individual act, the decision by a public agency to press a termination against an employee it knew to be medically incapacitated is a matter the public — and those charged with overseeing this agency — are entitled to weigh.

One final point bears on all of the above. When Mr. Stolarski reported discrimination, the agency took more than five months—from his formal complaint in January 2025 to its findings in June 2025—despite having the supporting evidence much earlier. When the agency decided instead to remove him, it investigated and terminated him **within a matter of days — shortly before the Sunset Advisory Commission's reviewers were scheduled to arrive at the agency and receive input from its employees.** The contrast between how slowly this agency moved to address misconduct an employee reported, and how quickly it moved to remove the employee who reported it, speaks to where the agency placed its priorities, and is itself a matter warranting examination.

These concerns are documented, and we are prepared to provide supporting materials to any of the above authorities on request. They will be pursued through those channels regardless of the status of the EEOC proceeding.

Sincerely,
Mitzi Stolarski

On Fri, Jun 26, 2026 at 12:39 PM Trobman,Les <les.trobman@twc.texas.gov> wrote:

> Good Afternoon, Ms. Stolarski -
>
> On behalf of TWC, I am providing this communication in order to acknowledge receipt of your June 25th, 2026 email. TWC is cognizant of the pending complaint with the U.S. Equal Employment Opportunity Commission regarding this matter. The agency will continue to participate in that process.
>
> Sincerely,
>
> Les Trobman
> General Counsel
> Texas Workforce Commission
> Office: 512-936-3767

les.trobman@twc.texas.gov

From: Mitzi Stolarski < >
Sent: Thursday, June 25, 2026 1:52 PM
To: robert.black@gov.texas.gov; auditor@sao.texas.gov; Esparza,Joe <joe.esparza@twc.texas.gov>; Trevino III,Alberto <alberto.trevino@twc.texas.gov>; Connett,Brent <brent.connett@twc.texas.gov>; Pier,Steve <steve.pier@twc.texas.gov>; eric.beverly@sunset.texas.gov; picc@traviscountytx.gov
Cc: oig@twc.texas.gov; pat.curry@house.texas.gov; White,Jerry R <jerry.white@twc.texas.gov>; Trobman,Les <les.trobman@twc.texas.gov>
Subject: Retaliatory termination used to conceal documented governance failures — demand for investigation and correction

FORMAL NOTIFICATION OF MISCONDUCT, ABUSE OF POWER, AND SYSTEMIC GOVERNANCE FAILURES AT THE TEXAS WORKFORCE COMMISSION

This notification is submitted in the exercise of our legal right to report misconduct, abuse of power, retaliation, and violations of law to the responsible authorities. The statements below are accurate and are supported by documentation that we are prepared to provide. They describe both specific unlawful conduct directed at Joseph Stolarski and the broader institutional failures that conduct was used to conceal — failures an independent state review has now publicly confirmed.

Part 1 — The Retaliation and Rights Violations

Joseph Stolarski was railroaded into a termination in order to conceal the governance failures described in Part 2, to retaliate for his validated EEO complaints, and to remove an employee who had reported internal misconduct. In the course of that termination, the agency violated his rights in at least the following respects. Each is factually supported and independently verifiable.

1. FMLA interference. The agency required Mr. Stolarski to defend himself — to perform substantive work — while he was on approved FMLA leave and in a documented medical condition that left him unable to do so properly. Compelling an employee to participate in his own pre-termination defense during protected medical leave, when the agency had been informed he was medically unable to participate, constitutes interference with FMLA rights and is a gross violation of due process as well as basic human decency.

2. Provably false allegations in the pre-termination notice. The pre-termination notice contains allegations that are demonstrably false. The proof of their falsity has already been provided to the Texas Workforce Commission. These are not matters of interpretation;

they are factual assertions that the documentary record contradicts, and the agency is in possession of that contradicting record.

3. Denial of due process — findings finalized and disseminated without ever asking for his side. Mr. Stolarski was never given any opportunity to refute the findings that became the basis of the pre-termination notice *before* those findings were finalized, submitted to agency leadership, and placed in his personnel file. He was not interviewed. He was not asked for his account. He was not shown the findings and invited to respond. The determination was complete before he was ever brought into the process — which means the process was not a process at all, but the documentation of a conclusion already reached. This sequence does more than violate the most basic requirement of pre-deprivation due process; it demonstrates that the agency did not want anything from him that might contradict its predetermined outcome. An agency conducting a genuine inquiry asks the accused for his side before it rules. This agency ruled, then disseminated the ruling, and only afterward — through a notice he was given five business days to answer — created the appearance of an opportunity to respond. The findings it finalized included its mischaracterization of his communication to the University of Texas, despite documentary proof, already in the agency's possession, that he had clearly identified his role in that communication as that of a concerned parent. That proof was never sought before the finding was made, because a finding the evidence would have refuted was the finding the agency wanted.

4. Denial of access to his own defense materials. While charging Mr. Stolarski based on his TWC emails, the agency effectively denied his request — made through counsel — to access that same TWC email account to retrieve the documents he needed to defend himself. The agency thus built its case on records it would not let him see, and then gave him only five business days to respond. Charging an employee using evidence the agency simultaneously withholds from him is a fundamental denial of a meaningful opportunity to be heard.

5. Protected activity recast as misconduct. Other allegations relied upon in the termination concerned legally protected activity. They were taken out of context, mischaracterized, in some instances outright false, and grounded in opinion rather than fact. Despite this, they remain in his personnel file, where they continue to cause reputational and professional harm. Using protected activity — including protected complaints and petitioning — as the basis for adverse action is unlawful retaliation.

The timing is not incidental. These actions were taken against the same employee who had raised the compliance and contracting concerns described below, and they followed closely upon his protected reporting. An agency does not get to manufacture a record against an employee, deny him any chance to rebut it, and then use that record to bury the very problems he reported.

Part 2 — The Governance Failures the Termination Was Used to Conceal

In June 2026, the Sunset Advisory Commission's staff issued an independent review of the Texas Workforce Commission. It found, in the agency's own words, that TWC's "Poorly Executed IT Modernization Efforts Compromise the Effective Delivery of Workforce and Child Care Services to Texans." That review independently confirms the substance of what

Mr. Stolarski reported before he was terminated. The findings below are quoted from that report.

A. IT Contracting — Control Gaps That Create Conditions for Corruption

The report documents an IT procurement process from which the safeguards that prevent and detect contract corruption have been removed. Each item below is a documented control gap — a condition under which contract steering, favoritism, or self-dealing could occur or go undetected. Every quoted phrase is the report's own.

1. Contracts drafted without independent sign-off. Subject-matter experts are listed only as "consulted," which the report calls "a weak designation that allows IT leadership to draft contracts without requiring subject matter expert sign-off or technical buy-in." Unchecked authority over contract drafting is the precondition for steering a contract.

2. The fraud-detection division is excluded from procurement. The report finds that "critical divisions such as I3 and Fraud Detection and Compliance Monitoring (FDCM) are entirely omitted from the agency's formal procurement processes." The unit whose job is detecting fraud has no role in, and no visibility into, how contracts are awarded.

3. Statements of work kept deliberately vague. The report identifies "a deliberate policy decision to maintain vague, high-level statements of work." Vague specifications make vendors difficult to hold accountable and make it easy to justify selecting or retaining a preferred vendor.

4. No make-vs-buy analysis; outsourcing by default. The report finds procurement "defaults to 'off-the-shelf plus customized' systems" without "rigorous analysis," so contractor spend is never tested against the cost of doing the work in-house — removing the paper trail that would reveal unnecessary outsourcing.

5. Vendor lock-in. Once a system is bought, "TWC is trapped by proprietary software that cannot be modified cost effectively," converting one award into long-term dependence on a single vendor and eliminating competitive pressure on all later work.

6. The agency cannot verify what vendors deliver. Technical staff lack data dictionaries and direct vendor contact, so "I3 analysts must guess at data structures." When the buyer cannot independently audit the product, it cannot detect under-delivery or substitution.

7. Incumbent re-awarded without competition. The report notes a contract awarded "to a previous vendor rather than pursuing a competitive or innovative solution" — bypassing the primary safeguard against favoritism in awards.

Taken together: one party can draft contracts with no independent approval; the fraud unit is shut out of the process; the contracts are deliberately vague; spend is never tested against an in-house alternative; vendors gain lock-in; the agency cannot verify what it received; and at least one award skipped competition. These are precisely the controls that exist to prevent and detect contract corruption, and the state's own reviewer found them absent.

B. Additional Governance Failures and Abuse-of-Power Concerns

Beyond contracting, the following systemic failures warrant investigation. Several bear directly on the integrity of federal funds and on the abuse of administrative authority.

– **Falsification of official labor records affecting federal grants.** Work hours Mr. Stolarski did not work were entered into the official CAPPS timekeeping system over his explicit verbal and written objection. I, Mitzi Stolarski, personally witnessed the Teams call from Suzanne Hays in which my husband protested the June 24, 2025 hours being recorded as work hours. I heard the entire conversation. TWC operates substantially on federal funds subject to Uniform Guidance time-and-effort requirements (2 CFR 200.430) and the Single Audit Act. Falsifying labor records compromises federal cost-allocation integrity and creates exposure to questioned costs — a matter squarely within the State Auditor's jurisdiction. These falsified hours were then used to justify his termination for "misusing agency time." The activities the agency held against him were, as a matter of law, protected. Under the Texas Whistleblower Act, his reports to law enforcement — including the Texas Rangers, the Travis County District Attorney's Public Integrity Unit, and other law-enforcement authorities — were protected reports of suspected violations of law by a public employer to an appropriate law enforcement authority. His access to his own work email was compelled by the agency's own decision to send the EEO complaint findings report solely to that work email, requiring him to check it to receive and respond to the report. His review of his own paystubs was lawful. **The pre-termination letter expressly identifies these communications to outside entities as grounds for the action — meaning the agency, on the face of its own document, identified statutorily protected whistleblower activity as a basis for terminating him.**

– **Concealment of an Attorney General ruling for 99 days.** The Office of the Attorney General issued Ruling OR2025-034676 on September 29, 2025. The agency did not notify Mr. Stolarski of that ruling until January 6, 2026 — a delay of 99 days — and only after he affirmatively asked about its status. During that entire period, the agency's public records portal falsely displayed the request's status as "Waiting for AG Response," when the AG had in fact already responded. Misrepresenting the status of a public-information request for over three months reflects a breakdown in transparency obligations and a willingness to misstate the record to a requester. **His public information requests remain deficient, failing to provide all requested documents that the AG's office confirmed should be provided.**

– **Hiring used to route work to preferred contractors.** Where procurement controls are this weak and the fraud unit is excluded, recurring work can be filled through preferred contractors instead of through competitive hiring — positions posted, qualified applicants passed over, the search declared failed, and the work then routed to a contractor — without documented, independently reviewed justification. This is a direct abuse-of-power and fraud-risk concern warranting examination of specific requisitions and the resulting awards.

– **Records destruction exposure.** Internal communications are subject to automatic deletion after a fixed period unless an individual manually preserves them. This places state records, records responsive to open-records requests, and records subject to legal hold at risk of destruction before they are classified or identified — a serious records-integrity and potential spoliation concern.

– **Officials adjudicating complaints against themselves.** Officials who were the subjects of internal complaints participated in the disciplinary and termination decisions affecting the complainant, with no apparent recusal. The absence of conflict-of-interest safeguards in internal administrative decision-making is an abuse-of-power concern.

– **Retroactive policy change used to justify discipline.** An internal ethics policy was amended shortly after the termination to add a prohibition that did not exist at the time of the conduct, and the amended standard was then treated as applicable to that prior conduct — a denial of fair, prospective notice and an indicator of an after-the-fact effort to justify a predetermined outcome.

Part 3 — What Connects Them

The two parts of this notification are not separate stories. Mr. Stolarski reported irregular contracting and hiring to the agency's fraud function before he was terminated. He filed public-information-act requests while investigating these issues. The Sunset review has now independently confirmed that the contracting environment he described is, in fact, badly broken and stripped of its safeguards. He was then railroaded out through the rights violations in Part 1 — FMLA interference, false allegations, a determination reached and disseminated before he was ever asked for his side, denial of access to his own defense materials, and the weaponizing of his protected activity. An employee who accurately reported these failures was removed using a manufactured record he was never permitted to rebut. That is the conduct we are asking you to investigate.

Demand

We respectfully demand that the responsible authorities:

– Investigate the IT contracting and procurement practices identified above, including vendor relationships, the exclusion of the fraud-detection division from procurement, and any awards made without competition.

– Examine the falsification of official labor records and its implications for federal-grant compliance.

– Examine the hiring practices described above, including specific position postings and the contractor awards that followed.

– Correct the record as to Joseph Stolarski — remove the false and mischaracterized findings from his personnel file and provide the name-clearing process he was denied.

– **Reinstate Joseph Stolarski to his position, or an equivalent one, upon his medical clearance to return to work.** His termination was the product of the unlawful conduct described above; a lawful, make-whole remedy includes restoring the position he would have held but for that conduct.

We are prepared to provide supporting documentation upon request. We are exercising our lawful right to bring this misconduct and abuse of power to the attention of the authorities responsible for addressing it, and we intend to pursue every appropriate avenue until it is addressed.

I am interested in making a public comment during a future commission meeting regarding these matters as well as testifying in any hearings involving the Texas Workforce Commission.

Mitzi Stolarski

TWC IT Contracting — Control Gaps That Create Corruption Risk

A summary of mechanisms documented in the June 2026 Sunset Staff Report

What this document is. This summarizes the specific findings in the Sunset staff report's IT issue (Issue 4) that describe *control weaknesses in how TWC awards and manages IT contracts.* Each item below is a documented control gap — a condition under which contract irregularities, favoritism, or self-dealing could occur or go undetected.

The seven mechanisms

1. IT leadership can draft contracts with no independent expert sign-off

The report finds that IT acquisition is governed by a RASCI chart that lists program areas and subject-matter experts only as "consulted" — described as "a weak designation that allows IT leadership to draft contracts without requiring subject matter expert sign-off or technical buy-in."

Why this is a corruption-risk mechanism: the single most basic anti-corruption control in procurement is independent review — someone other than the contract drafter must validate the contract. When one party (IT leadership) can author a contract without anyone else's required approval, there is no internal check on what goes into it, who it favors, or whether its terms are justified. Concentrated, unchecked control over contract drafting is the precondition for steering a contract.

2. The fraud-detection division is entirely excluded from procurement

The report finds that "critical divisions such as I3 and Fraud Detection and Compliance Monitoring (FDCM) are entirely omitted from the agency's formal procurement processes."

Why this is a corruption-risk mechanism: FDCM is the unit whose function is detecting fraud and compliance failures. Excluding it from the contracting process removes the one set of eyes specifically trained to spot irregularities from the exact process where contract irregularities would originate. This is the removal of the dedicated watchdog from the henhouse — not as a metaphor for wrongdoing, but as a literal structural fact: the fraud-detection function has no role in, and no visibility into, how contracts are drafted and awarded.

3. Statements of work are kept deliberately vague

The report finds that "a deliberate policy decision to maintain vague, high-level statements of work compounds this issue, as vendors receive little guidance on the technical complexities of workforce policy." It gives the TX3C system as an example, where "the broad statement of work… defined what the system should do but did not provide sufficient technical or operational detail on how those requirements should be implemented."

Why this is a corruption-risk mechanism: vague statements of work are a known vehicle for favoritism. Precise specifications constrain what a vendor must deliver and make performance measurable; vague ones leave terms open, make it difficult to hold a vendor accountable, and make it easy to justify selecting or retaining a preferred vendor on subjective grounds. The report's word — "deliberate" — establishes the vagueness was a choice, not an accident. (It does **not** establish the *purpose* of that choice; vagueness is also commonly chosen for administrative convenience.)

4. No comparison of in-house cost versus outsourcing — outsourcing is the default

The report finds TWC's "procurement strategy currently defaults to 'off-the-shelf plus customized' systems" and that this "often lacks support from a rigorous analysis of whether vendors are able to develop solutions… in a cost-effective manner." It states the agency should "carefully compare and document the costs of efficiently providing the service internally and the cost of outsourcing the function," and that "by failing to evaluate in-house development, the agency accumulates technical debt."

Why this is a corruption-risk mechanism: when an agency defaults to buying from vendors without ever documenting whether the work could be done in-house more cheaply, every dollar that flows to a contractor is unjustified by any comparative analysis. The absence of a documented make-vs-buy decision means contractor spend is never tested against the alternative — which both enables unnecessary outsourcing and removes the paper trail that would reveal it.

5. Vendor lock-in through proprietary systems

The report finds that once a system is implemented, "TWC is trapped by proprietary software that cannot be modified cost effectively," forcing staff to use external tracking systems for basic operations.

Why this is a corruption-risk mechanism: proprietary lock-in converts a one-time award into a long-term dependency on a single vendor, eliminating competitive pressure on all subsequent work, modifications, and renewals. A vendor that controls a system the agency cannot modify or leave holds ongoing leverage, and the agency's inability to switch removes the competition that normally disciplines pricing and performance.

6. Technical staff have no direct vendor contact and no data dictionaries

The report finds that after a system goes live, "technical staff frequently does not receive essential technical documentation for how to run the system, such as data dictionaries," and that "without these dictionaries or direct vendor access, I3 analysts must guess at data structures." It notes I3 staff "does not have direct contact with the TX3C vendor."

Why this is a corruption-risk mechanism: when the agency's own technical staff cannot independently understand or verify what a vendor delivered — because they lack documentation and direct access — the agency cannot confirm it received what it paid for. This information asymmetry favors the vendor: the buyer cannot independently audit the product, which removes the ability to detect under-delivery, padding, or substitution.

7. Incumbent vendor re-awarded without competition

The report notes, in the context of the No Wrong Door project, that the agency awarded the contract "to a previous vendor rather than pursuing a competitive or innovative solution."

Why this is a corruption-risk mechanism: competitive bidding is the primary structural safeguard against favoritism in awards. Re-awarding to an incumbent without competition bypasses that safeguard. The report frames this as a planning failure (the agency reduced scope and defaulted to what it knew), not as evidence of an improper relationship — but a non-competitive incumbent re-award is, structurally, the exact pattern in which a preferred-vendor relationship would manifest.

What the mechanisms add up to

Taken together, the report documents an IT contracting environment in which:

- one party can draft contracts without independent approval (1),
- the fraud-detection function is excluded from the process (2),
- the contracts themselves are deliberately vague (3),
- contractor spend is never tested against an in-house alternative (4),
- vendors gain long-term lock-in (5),
- the agency cannot independently verify what vendors deliver (6), and
- at least one award went to an incumbent without competition (7).

Every one of these is a safeguard that, in a sound procurement system, exists specifically to prevent or detect contract corruption. The report establishes that these safeguards are absent. That is a finding about **conditions and opportunity** — the controls that would catch self-dealing are not in place, and the fraud-detection unit that would look for it has been structurally excluded.

From: Sunset Advisory Commission
To: Jalisa Broussard
Subject: FW: Witness intimidation concern, Texas Workforce Commission review
Date: Wednesday, July 29, 2026 8:07:44 AM

From: Mitzi Stolarski
Sent: Wednesday, July 29, 2026 8:00 AM
To: Sunset Advisory Commission <sunset@sunset.texas.gov>; Katherine Durain <Katherine.Durain@sunset.texas.gov>
Cc: auditor@sao.texas.gov
Subject: Witness intimidation concern, Texas Workforce Commission review

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I am writing about the Commission's review of the Texas Workforce Commission. My husband, Joseph Stolarski, and I submitted written public comments in this review, which are posted in the public comment record.

I am writing to make the Commission aware of something that happened after we submitted our comments, because I believe it bears on how the agency under your review treats people who raise concerns about it.

After we submitted our comments, an agent with the Texas Department of Public Safety contacted our local police department and requested that officers come to our home, based on a report that Waco police found to be unfounded.

I have obtained the recording of the DPS agent's call. On that recording, the agent states that his information came from my husband's former employer, the Texas Workforce Commission, the agency now under your review.

I am not asking the Commission to resolve my husband's individual employment matter. I understand that is not the Commission's role. I am raising this only because I believe that when a member of the public who has given comments to this Commission about an agency is then the subject of a false report traced, on the agent's own recording, to that same agency, it is something the Commission should be aware of as it weighs how this agency operates.

I am terrified of testifying now.

I have documentation of everything stated here, including the police records and the recording of the call, and I am able to provide it if that would be useful to the Commission.

Thank you for your time and for the Commission's work.

Respectfully,
Mitzi Stolarski

---------- Forwarded message ---------

From: **Mitzi Stolarski** < >
Date: Mon, Jul 13, 2026 at 1:20 PM
Subject: addendum
To: Trevino III,Alberto <alberto.trevino@twc.texas.gov>, Connett,Brent <brent.connett@twc.texas.gov>, Esparza,Joe <joe.esparza@twc.texas.gov>
Cc: Pier,Steve <steve.pier@twc.texas.gov>

Commissioners:

This addendum supplements my notifications of June 25 and June 30, 2026. I am addressing it to the three of you directly, and I will state plainly why.

Two comprehensive notifications, documenting governance failures your own oversight body has now independently corroborated, have produced exactly one response from this agency: a two-sentence acknowledgment from the General Counsel. Every channel through which my correspondence would normally reach you runs through offices that are themselves implicated in the matters described. Director Beckley confirmed in writing on July 16, 2025 that the termination decision followed "consultation with the Office of General Counsel and Human Resources." The agency's own Personnel Manual (Section 7.2.8.B) requires Office of General Counsel review of dismissals. And the agency's own document production shows that the same Assistant General Counsel who investigated my husband's internal discrimination complaint (Informal Complaint No. 25-04) was a required attendee at the July 25, 2025 meeting preparing the Ethics Policy readoption that followed his termination by eight days. I do not know what you have been told about this matter. I do know that everything you have been told has passed through the offices whose conduct is at issue. This letter ensures the record cannot later reflect that the Commissioners were never informed.

One fact belongs ahead of everything else in this letter, because it frames every finding your review reaches about this division. The investigation that ended my husband's career gave him no opportunity, none, to present his side before its findings were written. He was not interviewed. He was not notified. He was not asked one question. And he was not a man with nothing to show: he held contemporaneous, exculpatory proof answering the investigation's central charge. The pre-termination notice accused him of creating the appearance that he acted on the agency's behalf toward the University of Texas. Months before any finding existed, he had written to that university's own legal office describing himself as "acting as a concerned parent, advocating for my son's safety and well-being." One phone call, one email, five minutes of the most elementary investigative procedure, would have surfaced that document and ended this matter before it destroyed a family. The division made no call, sent no email, and asked no question. It reached a career-ending finding against a man holding the answer, because it never looked for the answer. Everything else in this letter is detail; that is the failure.

1. The division that investigated my husband is the division the Sunset staff found incapable of fair investigation.

My prior letters documented that the fraud-detection division is "entirely omitted from the agency's formal procurement processes." What they did not yet address is the Sunset staff's second finding about that same division: that its investigation function itself does not work.

The staff report concludes that "TWC lacks a fair, consistent process to investigate, document, and act on confirmed allegations," and warns that the current arrangement creates the potential for "inconsistent investigation, unfair enforcement, and accusations of bias." It found investigations under the division's oversight that "did not identify either the subject of the investigation or the allegation being investigated," determinations the facts "did not support," and a division so inattentive to its own data that it "did not notice the data discrepancies until Sunset staff identified them."

Two documents connect those findings to my husband. The agency's own Self-Evaluation Report states that the FDCM office responsible for those program-fraud functions, the Office of Investigations, is the same office responsible for internal investigations of TWC staff. And his pre-termination notice states that his matter "was referred to the agency's Fraud Deterrence and Compliance Monitoring Division for investigation."

What that division's process produced in his case is exactly what your oversight body's findings predict:

He was never told an investigation was underway. He was not interviewed, shown the findings, or asked for his account. The findings against him were finalized, submitted to agency leadership, and placed in his personnel file. Only then, while he was on approved medical leave, was he handed a notice and given five days to answer a conclusion that had already been written, filed, and circulated. He was investigated, adjudicated, and convicted without ever being made part of the process. A genuine inquiry gathers the accused's account before it reaches a finding. This one reached the finding first and produced the appearance of a hearing second.

The cost of that inverted process fell on our family in ways I can attest to personally. When my husband requested time to respond, citing severe medical issues in writing, Director Beckley answered by email on a Friday evening: "An extension will not be provided." A two-day extension followed only after counsel appeared. Because my husband was medically unable to prepare a defense, we retained counsel at our own expense under an agreement expressly limited in scope to responding to the pre-termination notice. I signed that agreement as Guarantor because he could not manage his own affairs, a fact contemporaneously documented and known to the agency. The agency demanded work from a man on protected medical leave, and our family paid someone else to perform it.

The originating charge was his exercise of a statutory right. The notice states the action "became necessary following receipt of an external concern from the University of Texas (UT), Office of Legal Affairs" regarding public information requests he had made to that office. Those requests were made under Chapter 552, the Texas Public Information Act, a right belonging to every Texan. They were sent from his personal email, on his own time, and sought records bearing on potential discriminatory conduct. Because he never knew an investigation existed, he never had the opportunity to provide context or clearing evidence, including a separate written communication, sent to the very UT office from which the concern originated, in which he expressly identified his role in the underlying matter as that of "a concerned parent." The division reached and recorded its determination without ever testing it against the one person who could have supplied that context. That is not rigor that made a mistake. It is a determination made with no verification at all, the precise failure the Sunset staff documented in this division's work.

He also reported irregularities in IT contracting and hiring to this same division's fraud function before his termination. The unit he trusted with his compliance reports is the unit that then investigated him, found against him without speaking to him, and supplied the basis for his removal. I will say plainly what any auditor would: interviewing the subject is elementary in every investigative discipline. An investigations unit that reaches conclusions about an employee it never once contacts has not cut a corner; it has abandoned the control that separates investigation from accusation, and it has done so in exactly the environment where the staff report warned of "unfair enforcement, and accusations of bias." And the channel itself does not answer: his July 11, 2025 report to twc.fraud@twc.texas.gov, the intake address the agency's own Personnel Manual designates for exactly such reports (Section 1.19.E), has never received a response of any kind, despite written follow-ups on September 26 and December 12, 2025, the latter addressed to the Commissioners directly. Whatever else that sequence is, it is not a system any employee can safely report through, and it is squarely within the concern the staff report raised when it warned of "unfair enforcement, and accusations of bias."

The asymmetry runs in both directions. The agency terminated my husband under a sustained finding of "Abuse." Its own Personnel Manual, Section 1.19.E, provides that all instances of fraud, waste, or abuse must be reported to TWC or the State Auditor's Office. In February 2026, the State Auditor's Office confirmed in writing that it holds no reports from the agency concerning him for the relevant period. The division's mandatory reporting apparently runs one way: findings against employees go unreported to oversight, and reports from employees go unanswered.

2. The agency's formal self-reporting to the Sunset Commission was not candid, and the same habit governs what you are told.

In its August 2025 Self-Evaluation Report, the agency's Information Technology section identified no problems at all and closed with the assurance that "IT's work enables the seamless delivery of workforce services across the state." Ten months later, the Sunset staff titled its finding "TWC's Poorly Executed IT Modernization Efforts Compromise the Effective Delivery of Workforce and Child Care Services to Texans." The failures the staff documented were not later developments. They predated the submission, and the submission itself shows the agency knew: elsewhere in the same report, the agency concedes that at one system's "go-live in November 2024, essential functionality was still incomplete," with "staff performing manual workarounds," while its IT self-portrait acknowledged none of it and the report's Major Issues section raised no information-technology issue at all.

I raise this with you for a reason beyond the record. An agency whose formal self-evaluation assures the Sunset Commission of seamless delivery, while its own pages concede failure, is an agency whose official self-descriptions are curated rather than candid. The account of my husband's termination that has reached you came through the same institutional habit and the same offices. I respectfully ask you to weigh that when deciding whether the version you have been given is complete.

3. Controls whose absence this matter demonstrates, for the Commission's and the Sunset review's consideration.

The Sunset staff's recommendations, sound as far as they go, do not reach several controls whose absence my husband's case demonstrates. I submit these for the Sunset record and, independently, as questions the Commissioners are entitled to ask their own agency.

First, verification controls for labor records charged to federal funds. Hours my husband did not work were entered into CAPPS and then used to support a charge against him. He objected verbally before the hours were entered, an objection I personally witnessed, and again in writing once he learned they had been recorded. No control caught it. Given the agency's federal time-and-effort obligations (2 CFR 200.430), recorded hours should be verified, and an employee's objection captured and resolved, before any reliance is placed on the record.

Second, recusal standards in internal decision-making. The agency's own June 24, 2025 findings memorandum routed his internal complaints through the very IT leadership several of those complaints concerned, and that same leadership issued his pre-termination notice sixteen days later. No impartial decision-maker existed anywhere in the process. An official who is the subject of a complaint should not decide related actions affecting the complainant.

Third, safeguards for employees who report compliance concerns. The staff report brings FDCM into contract drafting but is silent on protecting the people who report to it. Reports should be handled independently of the officials and units they implicate, and the reporters protected from adverse action. My husband's experience is the case study for why.

Fourth, prospective-only application of disciplinary policy. An internal ethics policy was amended shortly after his termination to add a prohibition that did not exist at the time of the conduct. Policy amendments carrying disciplinary consequences should apply prospectively, with the basis and effective date documented.

Fifth, retention and legal-hold controls, which my June 25 notification detailed and which belong within the agency's data-governance framework rather than left to individual employees' manual saves.

4. The facts above are documented, have been provided to the agency, and are increasingly public.

Nothing in this letter asks you to take our word for anything. The documentary proof has been provided to the agency repeatedly: in my husband's written protest of July 13, 2025, in counsel's formal response of July 17, 2025, and in his federal filings. The agency's answer to our family's own notifications has been two sentences from the General Counsel.

And the record is no longer private. The Office of the Attorney General has ruled, over the agency's objections, that the underlying file is publicly accessible. The Sunset Commission's public comment record now contains this matter. A federal proceeding is underway. What that record shows are facts, not characterizations: an employee handed termination charges while on approved medical leave, and then terminated eleven days later with his federal leave entitlement still unexhausted, by the agency's own admission; never told he was under investigation; never interviewed; charged in part for exercising a statutory right available to every Texan; hours he did not work entered into the State's timekeeping system over his objection and then used against him; a policy amended eight days after his termination to add a prohibition that did not exist at the time of the conduct; and investigation records the agency told the Attorney General it would release, then actually released only on January 6, 2026, one hundred three days after the Attorney General's September 25, 2025 ruling on them. When this record is judged, and it will be judged, at the August 12 hearing, in the courts, and by the public, the agency's handling will be measured against those documents, and so will its response to date: two sentences from the General Counsel. I write this not as a threat but as what commissioners deserve from someone who has watched this unfold from inside a family it has damaged: this is an institutional disaster in the making, built entirely of the agency's own documents, and the three of you are the last people positioned to correct it before it is rendered in public.

5. What we ask.

The demands in my June 25 notification stand in full. Two of them bear restating expressly.

First, reinstatement. We renew the demand that Joseph Stolarski be reinstated to his position, or an equivalent one, upon his medical clearance to return to work. Reinstatement is not a favor. It is what fair process and basic justice require when a termination is the product of the conduct described above, and it is the ordinary make-whole remedy: restoring the position he would hold today but for that conduct. The damage to our family has been extensive and continuing: his health, which requires ongoing treatment; our financial security; a career of documented "Outstanding" performance ended months short of vesting his state retirement; and the standing of his name, which the agency's own publicly accessible file continues to injure every day it goes uncorrected.

Second, the name-clearing process, and the correction of the false and stigmatizing findings that remain in a personnel file the Office of the Attorney General has confirmed is publicly accessible.

To those I add one request specific to this addendum: that the Commissioners satisfy themselves, **through means independent of the Office of General Counsel and IT leadership**, of what actually occurred here. The documentation supporting every statement above exists and will be provided to any of you, or to any authority copied here, on request.

Sincerely,

Mitzi Stolarski

From:	Sunset Advisory Commission
To:	Jalisa Broussard
Subject:	FW: Public Input Form for Agencies Under Review (Private/Before Publication)
Date:	Friday, July 31, 2026 7:45:51 AM

From: sunset.website@brightleafgroup.com <sunset.website@brightleafgroup.com>
Sent: Friday, July 31, 2026 6:44 AM
To: Sunset Advisory Commission <sunset@sunset.texas.gov>
Subject: Public Input Form for Agencies Under Review (Private/Before Publication)

Submitted on Fri, 07/31/2026 - 05:40

Submitted by: Visitor

Submitted values are:

Choose the agency that you would like to provide input about
Texas Workforce Commission

Public Comments
1

First Name
Mitzi

Last Name
Stolarski

Email

City
Waco

State
Texas

Your Comments or Concerns
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Thank you for your time and for the Commission's work.

Respectfully,
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Your Proposed Solution
Prevent witness intimidation by referring this incident to law enforcement and any other state and federal entities that can stop it.

My Comments Will Be Made Public
Yes