



VETERANS LAND BOARD

SERVING TEXAS VETERANS

GEORGE P. BUSH, CHAIRMAN

Veterans Land Board – Self Evaluation Report

Submitted to the Texas Sunset Advisory Commission – September 2017



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**Veterans Land Board
Self-Evaluation Report**

I. Agency Contact Information

A. Please fill in the following chart.

**Veterans Land Board
Exhibit 1: Agency Contacts**

	Name	Address	Telephone & Fax Numbers	Email Address
Agency Head	George P. Bush, Commissioner	1700 N. Congress Avenue, Austin, TX 78701	512.463.5001	GPB@glo.texas.gov
Agency's Sunset Liaison	Anne Idsal, Chief Clerk of General Land Office	1700 N. Congress Avenue, Austin, Texas 78701	512.463.5001	Anne.Idsal@glo.texas.gov

Table 1 Exhibit 1 Agency Contacts

II. Key Functions and Performance

Provide the following information about the overall operations of your agency. More detailed information about individual programs will be requested in a later section.

A. Provide an overview of your agency's mission, objectives, and key functions.

The Texas Veterans Land Board (VLB), a constitutional agency within the Texas General Land Office (GLO), provides benefits and services for qualified Texas Veterans, military members and their families. These benefits include low interest land, home, and home improvement loans. The loans in the program are funded through the issuance of bonds and the recycling of loan repayments and investment earnings. Loan repayments and investment earnings are also used to pay the debt service on outstanding bonds. No general revenue funds are appropriated for the program.

Additional benefits and services include skilled nursing home care at eight state Veterans homes; burial and interment services in four state Veterans cemeteries; and Veterans benefit information and assistance services through the Texas Veterans Call Service Center, a collaboration between the VLB and the Texas Veterans Commission (TVC).

Texas voters established the Veterans Land Board (VLB) through a constitutional amendment in 1946, to honor Texas Veterans for their service by providing loans to purchase land. Since its inception, more than 227,000 Texas Veterans have taken advantage of these completely self-supporting loan programs.

The functions of the VLB are financed with the proceeds of bonds issued under the authority of the Board; loan repayments in the VLB loan portfolio; and investment earnings in the VLB investment portfolio. The VLB is responsible for the investment of money in the Veterans' Housing Assistance Fund I; Veterans' Housing Assistance Fund II; the Veterans' Land Fund; the State of Texas David A. Gloier Texas State Veterans Home Program; and the Veterans' Mortgage Revenue Bond Program.

The VLB's written Investment Policy Statement (IPS) permits the chief investment officer to purchase, sell, or trade investments in any of the funds or programs in accordance with applicable legal and IPS limitations and imposes upon the chief investment officer, a "prudent person" standard. The IPS dictates certain portfolio diversification requirements and instructs the chief investment officer to invest assets in a manner that maximizes total return, while providing the liquidity and cash flow necessary to fund the programs administered by the Veterans' Land Board.

As of August 31, 2016, and including cash held at the Texas State Treasury, the fair value of the total portfolio of investments in the Veterans' Housing Assistance Fund I; Veterans' Housing Assistance Fund II; and the Veterans' Land Fund was \$725,978,522. The fair value of the total portfolio of investments in the State of Texas David A. Gloier Texas State Veterans Home Program was \$37,676,395.

Additional information on VLB investments, including statutory citations, can be found at <http://www.glo.texas.gov/the-glo/reports/budget/files/FY2016-Unaudited-Annual-Financial-Report-TXGLO-and-VLB.pdf>

VLB Mission: The Veterans Land Board serves Texas Veterans, military members and their families by providing benefits and services authorized by the people of Texas and the legislature in appreciation and gratitude for their service to the nation and our state.

The VLB Objectives are:

To educate our Veterans not only on VLB programs but also on all public and private Veterans programs provided within the State of Texas.

To continue to strengthen the VLB brand's customer satisfaction by maintaining the land loan processing time from contract to closing of less than 30 days' average;

To maintain buyer's loan solvency through loss mitigation efforts that achieve no less than 80% of delinquent land loans removed from forfeiture;

To provide affordable, long-term skilled nursing home care for Texas Veterans, their spouses and Gold Star parents;

To commit to honoring those who have served and their widow(er) with a dignified burial in a sanctuary appropriate for their service to our nation.

The VLB has four lines of effort to help focus initiatives designed to meet our mission statement. Our main effort is the Marketing and Outreach Division – we have become more aggressive in educating our Veterans on the many programs, benefits and services that are available from both private and public sources within the state. Our center of gravity continues to be our Veteran Land, Home and Home Improvement Division.

The VLB key functions are:

- Marketing and Outreach/Communications & Business Development Program
- Loan Programs: Veterans Land, Home and Home Improvement Loan Origination, Closing, Post Closing, Servicing and Loss Mitigation function
- Texas State Veterans Homes Program
- Texas State Veterans Cemeteries Program

B. Do your key functions continue to serve a clear and ongoing objective? Explain why each of these functions is still needed. What harm would come from no longer performing these functions?

Yes, each of these key functions continues to serve a clear and ongoing objective. Ever since its founding in 1946, the Veterans Land Board has provided the strongest benefits package of its kind in the nation.

Loan Programs: Veterans Land, Home and Home Improvement: The Loan Programs key loan functions are required by state and federal statutory and regulatory authorities. The VLB programs receive no appropriated funding from taxpayers. The program operates as a business enterprise both supportive of and supported by the Texas Veterans Land Fund. The program's functions are essential for the achievement of our commitment to provide Texas Veterans, military members and their families with exceptional customer service in meeting their demand for the low interest land, home and home improvement loan benefits they have earned through their service to Texas and the nation. The elimination of any of the functions of the program would severely impact the delivery of these benefits.

Texas State Veterans Homes Program: The VLB, through its Veterans Homes Program, currently contracts for the operation of eight long-term care Veterans homes located in Amarillo, Big Spring, Bonham, El Paso, Floresville, McAllen, Temple, and Tyler with a ninth home opening in early 2019, in the Houston area. Each home is a modern, Medicare and Medicaid-certified nursing facility that accommodates between 100 and 160 residents. The VLB and the U.S. Department of Veterans Affairs (VA) are partners in the construction and operation of long-term skilled nursing care and burial facilities for Veterans in Texas. The VLB submits applications to the VA for funding, provides partial financing and financial planning and management, furnishes construction oversight and planning, and provides operational oversight for each of the Veterans homes and cemeteries. With limited

federal dollars, timely and complete applications are necessary for approval of new applications for Veterans home construction grants.

Texas State Veterans Cemeteries Program: Through a partnership between the State of Texas and the U.S. Department of Veteran Affairs, the Texas state cemeteries are managed by the VLB and are located to complement the four national cemeteries in San Antonio, Houston, Dallas-Fort Worth, and El Paso. Located in Killeen, Abilene, Mission, and Corpus Christi, the four Texas State Veterans Cemeteries have the capacity to provide a final resting place for more than 130,000 Veterans and their families. The consequences of the reduction or elimination of these functions would mean that other states, not Texas would receive the federal grants used to fund these programs.

Communication and Business Development: The toll-free Veterans Hotline was established to provide information on VLB programs and serve as a valuable resource for Texas Veterans. Communications Call Center staff also connects Veterans with concerns or issues outside the scope of VLB services to other Veterans service providers throughout the state and, most importantly, acts as a suicide hotline. Staff contacts these entities directly and provides a warm hand-off to the appropriate staff member at other entities without having the Veteran being misdirected. In addition, a Memorandum of Understanding (MOU) was signed between the VLB and the Texas Veterans Commission (the "TVC") to share information and other non-financial resources that may provide valuable information to Texas Veterans. Without this centralized Veterans information clearinghouse, Veterans service agencies would be forced to set up their own call centers and Veterans would have to call each agency individually to identify programs for which they may qualify.

Marketing and Outreach: The VLB Marketing and Outreach staff is available outside the Austin headquarters in the North, South, East and West regions to provide information about VLB programs to Veterans around the state. They provide information, lead seminars, and interact with other Veterans service organizations to increase awareness of the benefits available to Texas Veterans, military members and their families. Marketing and Outreach staff is continually visiting Texas communities to build relationships and inform Veterans of VLB programs. The VLB is a self-supporting entity. To remain self-supporting, it needs to continually generate interest in loans, nursing home care and interment services. Without proper marketing, awareness of and participation in these VLB programs, they would inevitably decline.

C. What evidence can your agency provide to show your overall effectiveness and efficiency in meeting your objectives?

The VLB's performance measures provide evidence of the agency's effectiveness and efficiency. Please see the 2016 performance measures as reported to the Legislative Budget Board (LBB) as reported on page seven of this document.

D. Does your agency's enabling law continue to correctly reflect your mission, objectives, and approach to performing your functions?

Yes, the VLB's enabling legislation continues to reflect the VLB's mission, objectives and approach to performing our functions.

E. Have you recommended changes to the Legislature in the past to improve your agency's operations? If so, explain. Were the changes adopted?

No.

F. Do any of your agency's functions overlap or duplicate those of another state or federal agency? Explain if, and why, each of your key functions is most appropriately placed within your agency. How do you ensure against duplication with other related agencies?

Loan Programs - There are no other states or federal agencies that provide land, housing or home improvement loans. Each of these key functions was placed within our agency by the Texas Constitution. All these benefits are offered exclusively for Texas Veterans, military members and their spouses.

Texas State Veterans Homes - There are private nursing homes in the Texas that provide similar Veterans services. The U.S. Department of Veterans Affairs also provides long-term nursing care services in selected areas. The VLB submits applications to the VA for funding, provides partial financing and financial planning and management, furnishes construction oversight and planning, and provides operational oversight for each of the Veterans homes. With limited federal dollars, timely and complete applications are necessary for approval of new Veterans home construction grants.

Texas State Veterans Cemeteries - In addition, the VA operates national cemeteries, including four within the state of Texas that provide similar earned burial benefits. The Texas State Veterans Cemeteries complement the four national cemeteries in the state located in Houston, Dallas/Fort Worth, El Paso, and San Antonio.

G. In general, how do other states carry out similar functions?

All 50 states provide benefits and assistance to Veterans but cannot match what the VLB offers: low interest and fixed rates for land, home and home improvement loans and for 15, 20, 25 or 30 year terms for home and home improvement loans; eight long-term skilled nursing homes and four cemeteries at the highest quality of service where our Texas Veterans are laid to rest.

States with Veterans homes and/or cemeteries operate similarly under U.S. Department of Veterans Affairs guidelines. Some state operates facilities with state employees, while Texas contracts the operational functions to private operators.

H. What key obstacles impair your agency's ability to achieve its objectives?

Participation in the VLB loan programs is affected by the overall economic health of Texas and the nation.

The VLB will require continued improvements to automation, technical training and creative financing options. These allow us to offer efficient and effective services to our Texas Veterans, military members and their families.

Federal matching requirements for construction grants, which increase the VLB's funding percentage, may impede the agency's ability to construct additional Texas State Veterans Homes in the future.

I. Discuss any changes that could impact your agency's key functions in the near future (e.g., changes in federal law or outstanding court cases).

Changes that could impact the agency (VLB's) key functions are:

- Competitiveness of VLB loan rates;
- Changes in federal statutes and actions governing the use and amount of tax-exempt bonds financings;
- Changes in the market interest rates;
- Changes of the federal tax code restrictions on the eligibility requirements of Veterans to participate in the programs;
- Delays in federal approvals, funding, construction or obtaining operators could impact targeted performance of the Texas State Veterans Homes;
- Obtaining operators could impact targeted performance of the Texas State Veterans Cemeteries.

J. What are your agency's biggest opportunities for improvement in the future?

- Strengthen the VLB brand through customer satisfaction by achieving and maintaining land loan processing timeliness from contract to closing of less than 30 days.
- Maintain buyer's loan solvency through loss mitigation efforts that achieve no less than 80% of delinquent land accounts removed from forfeiture.
- Utilize competition and develop written standards in negotiating new contracts to ensure the VLB can provide the best possible care for our Veterans.
- Secure increased expansion and improvement opportunities through VA grant award funding and public and private support through financial donations for the Cemetery Program.
- Become the trusted agency that Texas Veterans turn to for support in not only VLB programs but all Veteran benefit programs.

In the following chart, provide information regarding your agency’s key performance measures included in your appropriations bill pattern, including outcome, input, efficiency, and explanatory measures. Please provide information regarding the

Veterans Land Board
Exhibit 2: Key Performance Measures — Fiscal Year 2016

Key Performance Measures	FY 2016 Target	FY 2016 Actual Performance	FY 2016 %of Annual Target
<i>C. Goal: Provide Benefits to Texas Veterans</i>			
<i>Strategy C.1.1: Veterans Programs</i> - Outcome Percent of Loan Income Used for Administrative Purposes	15.00%	18.13%	120.87%
<i>Strategy C.1.1: Veterans Programs</i> – Output (Volume) Number of Land and Home Improvement Loans Funded by the Veterans Land Board	1500.00	1638.00	109.20%
<i>Strategy C.1.2: Veterans Homes</i> – Output (Volume) Occupancy Rate at Veterans Homes	92.00%	92.78%	100.84%

Table 2 Exhibit 2 Key Performance Measures

Goal No.	3	Provide Benefits Programs to Texas Veterans
Objective No.	1	Veterans Benefits Programs
Strategy No.	1	Veterans Loan Programs
Measure Type	OC	Percent Loan Income Used for Administration
Measure No.	4	Number of Land and Home Improvement Loans Funded by the VLB
Key Measure:		Yes

BL 2016 Methodology

Total funds expended/encumbered for the measure (taken from the 8/31 SAGE MIP report for Fund 522) will be divided by total interest (taken from BD ZZ LP LAR Interest calc. Fund 522, from SAGE MIP) to come up with a percentage.

Goal No.	3	Provide Benefits Programs to Texas Veterans
Objective No.	1	Veterans Benefits Programs
Strategy No.	1	Veterans Loan Programs
Measure Type	OP	
Measure No.	4	Number of Land and Home Improvement Loans Funded by the VLB
Key Measure:		Yes

BL 2016 Methodology

A monthly report created by VLB staff is retrieved from the Mortgage builder data base specifying the number of land and home improvement loans funded.

Goal No.	3	Provide Benefits Programs to Texas Veterans
Objective No.	1	Veterans Benefits Programs
Strategy No.	2	State Veterans Homes
Measure Type	OP	
Measure No.	Occupancy Rate at Veterans Homes	

BL 2016 Methodology

The average number of occupied beds of an accounting period, divided by the total number of available beds for the same period, determines the occupancy rate.

L. Please discuss any “high-value data” your agency possesses, as defined by Section 2054.1265 of the Government Code. In addition, please note whether your agency has posted those data sets on publicly available websites as required by statute.

N/A

III. History and Major Events

Provide a timeline of your agency's history and key events, including:

the date your agency was established;

the original purpose and responsibilities of your agency; and

major changes in responsibilities or statutory authority.

Also, consider including the following information if beneficial to understanding your agency:

changes to your policymaking body's name or composition;

significant changes in state/federal legislation, mandates, or funding;

significant state/federal litigation that specifically affects your agency's operations; and

key changes in your agency's organization (e.g., a major reorganization of the agency's divisions or program areas).

History:

1836: The Texas General Land Office was formed, in part, to make sure Veterans of the Texas Revolution received the land rights they were promised in exchange for their role in the liberation of Texas. The Texas Veterans Land Board was created in 1946, to do the same for Texas Veterans who helped liberate the world.

1946: Texas voters established the Veterans Land Board (VLB) through a constitutional amendment to honor Texas Veterans and their families by providing loans to purchase raw land. Today the VLB operates within the structure of the General Land Office (GLO) and provides Veterans with state benefits.

1949: The first VLB board is appointed, consisting of the governor, attorney general and commissioner of the General Land Office. The amendment authorized the legislature to empower the board to issue \$25 million in bonds, the proceeds of which were to be used by the board for buying land to resell to Texas Veterans of World War II. Originally, the Veteran could purchase a minimum of 20 acres of land, but no loan could exceed \$7,500.

1951: An amendment in 1951 increased the amount of bonds that could be issued to \$100 million and authorized the legislature to extend these benefits to Texas Veterans with service subsequent to 1945. Benefits of the program were also made available to Veterans of the Korean War.

1956: Another constitutional amendment changed the composition of the board to the commissioner of the General Land Office and two gubernatorial appointees, one of whom must be well versed in Veteran affairs and one experienced in finance.

1967: An amendment extended these benefits to Veterans of the Vietnam War. In 1967, the maximum land loan allowed was \$10,000.

1973: The minimum amount of land that could be purchased was reduced to 10 acres. At that time, the Veteran was required to make a 5% down payment on the selling price, the balance payable at an interest rate of 5.5% over a 40-year period.

1975: The maximum land loan was increased to \$15,000.

1983: The Texas Veterans Housing Assistance Program (VHAP) began. This program provided low-interest loans of up to \$45,000, used in conjunction with a mortgage loan from a private lending institution, to purchase new or existing homes.

1986: The Texas Veterans Home Improvement Program (VHIP) was instituted. Loans were made for home repairs or improvements eligible under the United States Housing and Urban Development Title I Program with a maximum loan of \$17,500.

1991: The housing assistance limit was set at \$60,000.

1993: The minimum land purchase was lowered to five acres, with the maximum loan at \$20,000, and the maximum length of time for repayment was 30 years. The VHIP program offered Texas Veterans up to \$25,000 with the same interest rates as the VHAP program.

1997: Legislation passed for the construction of Texas State Veterans Homes.

1999: VHAP is set at \$150,000. Legislation allowed concurrent participation in all three loan programs.

2000: Texas State Veterans Homes opened in Floresville and Temple.

2001: Texas State Veterans Homes opened in Big Spring and Bonham.

2002: VHAP was set at \$200,000.

2003: VHAP was set at \$240,000 and minimum acreage for the land loan program was set at one acre.

2005: Texas State Veterans Homes opened in McAllen and El Paso. The Central Texas State Cemetery opened in Killeen.

2006: VHAP was set at \$325,000 and the Rio Grande Valley State Veterans Cemetery opened in Mission.

2007: A Texas State Veterans Home opened in Amarillo.

2009: A Texas State Veterans Cemetery opened in Abilene.

2011: The land loan rate for Veterans was reduced from 7.25% to 6.75%. The Coastal Bend Texas State Veterans Cemetery opened in Corpus Christi.

2012: A Texas State Veterans Home opened in Tyler.

2012: VHAP amount was raised to \$417,000.

2015: The maximum land loan is raised to \$125,000 on a 30-year note at 6.75%.

2015: The VLB submitted a grant application to the U.S. Department of Veterans Affairs for a ninth Texas State Veterans Home in the Houston area.

2015: The VLB launched a new website — www.texasveterans.org — for Texas Veterans, offering streamlined access to all earned benefits. The redesigned VLB site is a state-of-the-art portal through which Texas Veterans can find out about land and home loans, Veterans homes, burial benefits at a Texas State Veterans Cemetery, or talk to a fellow veteran on the Veterans support hotline, at 1-800-252-VETS.

2015: The VLB and the Texas State Veterans Homes program initiated a first of its kind program in the eight Texas State Veterans Homes to better identify and treat post-traumatic stress, ensuring Texas will care for the next generation of men and women who have fought for this country.

2015: The agency implemented a reorganization which created the new position of Senior Deputy Director for Veterans Services, separated the Texas State Veterans Home and Texas State Veterans Cemeteries into separate divisions with individual program directors and expanded the Marketing and Outreach division.

2016: The maximum amount for a Veterans Home Improvement Loan increased from \$25,000 to \$50,000.

2016: The VLB board passed sweeping changes to a handful of policies at all four Texas State Veterans Cemeteries, eliminating the cost of spousal interment, extending visiting hours and relaxing flower policies. These policies will become permanent following the completion of the rule making process.

2017: The land loan limit increased from \$125,000 to \$150,000. The interest rate was also increased from 6.75% to 7.25%.

Additionally, the Veterans Housing Assistance Program loan guarantee was increased from \$417,000 to \$424,100, the current maximum VA conforming loan amount.

Ongoing:

Cemetery Expansion: The VLB is overseeing expansions at the Central Texas State Veterans Cemetery in Killeen and the Rio Grande Valley State Veterans Cemetery in Mission. These

expansions will ensure these obligations are met for years to come. Interment at a Texas State Veterans Cemetery isn't an entitlement — it is a right that each and every Texas veteran has earned through their service.

Veterans Housing Program: The VLB created the Veterans Housing Program to rebuild the homes of Galveston County Veterans in need of permanent, safe housing after Hurricanes Ike and Dolly.

IV. Policymaking Structure

A. Complete the following chart providing information on your policymaking body members.

Veterans Land Board
Exhibit 3: Policymaking Body

Member Name	Term/Appointment Dates /Appointed by (e.g., Governor, Lt. Governor, Speaker)	Qualification (e.g., public member, industry representative)	City
George P. Bush Commissioner of the Texas General Land Office	4-year term Statewide elected official Term: January 2015 to present (Ex officio)	Chairman	Austin
Andrew J. Cobos	4-year term Appointed by Governor Term: May 2015 – December 2018	Board Member Veterans Advocate	Harlingen
Grant Moody	4-year term Appointed by Governor Term: July 2017 - December 2020	Board Member Finance/Banking	San Antonio

Table 3 Exhibit 3 Policymaking Body

B. Describe the primary role and responsibilities of your policymaking body.

The primary roles and responsibilities of the policy-making body include the following:

- Authorize and execute negotiable bonds as provided by law.
- Provide by resolution for use of the funds in a manner that will effectuate the intent of the constitution and the law.
- Prescribe the interest rates as provided by law.

- Provide for the forfeiture of contracts of sale and purchase and resale of forfeited land.
- Conduct investigations it considers necessary.
- Formulate policies and rules necessary and not in conflict with the law to ensure the proper administration and to carry out the intent and purposes of the law.

C. How is the chair selected?

The Commissioner of the Texas General Land Office (GLO) statutorily chairs the Texas Veterans Land Board. The Chief Clerk of the GLO may act as chair in the absence of the Commissioner.

D. List any special circumstances or unique features about your policymaking body or its responsibilities.

The Veterans Land Board membership is prescribed in Article 3, Section 49-b (a) of the Texas Constitution. The Constitution states that the Veterans Land Board shall consist of the Commissioner of the General Land Office, who serves and the chairman, along with two citizens appointed by the Governor with backgrounds in Veterans issues and finance. Citizen members are appointed to four-year terms, with one term expiring every even-numbered year.

The primary responsibilities of the Veterans Land Board are to review and determine all policy and procedural matters pertaining to the administration of the programs of the Veterans Land Board in compliance with the Texas Government Code, Chapter 572; the Texas Penal Code, Chapters 36 & 39; the Texas Natural Resources Code, Chapters 161, 162 & 164; and the Texas Constitution, Sections 49-b.

E. In general, how often does your policymaking body meet? How many times did it meet in FY 2016? In FY2017?

Board meetings are held on a quarterly basis, but special meetings may be called if necessary.

In FY 2016, the Board met four times. In FY 2017, the Board met five times (one special meeting).

F. What type of training do members of your agency's policymaking body receive?

- Texas Government Code, Chapter 572, Personal Financial Disclosure, Standards of Conduct and Conflict of Interest;
- Texas Penal Code, Chapter 36, Bribery and Corrupt Influence
- Texas Penal Code, Chapter 39, Abuse of Office
- Natural Resources Code, Chapter 161, Veterans Land Board
- Natural Resources Code, Chapter 162, Veterans Housing Assistance Program

- Natural Resources Code, Chapter 164, Veterans Financial Assistance Program
- Texas Constitution, Article 3, Section 49-b, Veterans Land Board; Bond Issues; Veterans Land Fund;
- Veterans Housing Assistance Fund; Veterans Housing Assistance Fund II
- Texas Administrative Code, Chapter 175, General Rules of the Veterans Land Board
- Texas Administrative Code, Chapter 176, Veterans Homes
- Texas Administrative Code, Chapter 177, Veterans Housing Assistance Program
- Texas Administrative Code, Chapter 178, Texas State Veterans Cemeteries
- Public Information Handbook 2004, Opening Meetings Act

In addition, the Executive Secretary reviews VLB programs and services including board rules, roles and functions of the board, board budget, board audits and travel reimbursements.

G. Does your agency have policies that describe the respective roles of the policymaking body and agency staff in running the agency? If so, describe these policies. (See: Folder "Attachments/ 7 Attachments relating to Policy making structure/Bios and VLB Board Policy")

Yes, the Texas Constitution sets the requirements for the respective roles of the Board.

Texas Administrative Code, Chapter 175, Rule 175.22 – Duties and Responsibilities of Chairman, Executive Secretary and Assistant Executive Secretary – the General Land Commissioner is the chairman and administrator of the Veterans Land Board, that the chief clerk may perform duties if necessary, that the Board selects the Executive Secretary and Assistant Executive Secretary, and the Chairman can delegate nondiscretionary responsibilities.

Texas Administrative Code, Chapter 176, Veterans Homes, Rule 176.10 – Rights of Board the Board is the final authority on interpretation and application of rules related to Veterans homes.

Texas Administrative Code, Chapter 177, Veterans Housing Assistance Program, Rule 177.13 – the Board is the final authority on interpretation and application of rules related to the Veterans housing assistance program.

Texas Administrative Code, Chapter 178, Texas State Veterans Cemeteries, Rule 178.2 Authority – (a) Any requirement of this chapter, which is not otherwise required by the constitution or statutes of this state, or any federal law, may be waived by the Board. Any waiver request must be in writing and must describe the circumstances surrounding the request, including all the reasons why the waiver is requested. (b) The Board is the final authority in determining the interpretation and application of these rules.

H. What information is regularly presented to your policymaking body to keep them informed of your agency's performance?

- Updates by the Deputy Director of Investment Management on current market and VLB interest rates and VLB investment portfolio performance strategy; Quarterly Investment Reports;
- Staff Reports: Updates by the Executive Assistant of the VLB on Loan Operations Production Report, a summary on the Texas State Veterans Homes Census levels by the Deputy Director, updates by the Deputy Director of the Texas State Veterans Cemeteries and updates on contracts and what Board approvals are necessary to move forward with requests for proposals (RFPs), procurements, etc.

I. How does your policymaking body obtain input from the public regarding issues under the jurisdiction of the agency? How is this input incorporated into the operations of your agency?

Quarterly VLB Board meetings have been open to the public since 2005; Board meeting agendas are posted in the Texas Register and can be accessed via the Texas Secretary of State website. Agenda must be posted seven working days prior to a Board meeting.

The input is incorporated into the operations as directed by the Board.

J. If your policymaking body uses subcommittees or advisory committees to carry out its duties, fill in the following chart. Code Chapter 2110 regarding an assessment of your advisory committees.

Established in 1991 by the 72nd Texas Legislature, the Texas State Veterans Cemetery Committee (Committee) is responsible for the creation of guidelines to determine the location and size of Veterans cemeteries, and the eligibility for burial in a Veterans cemetery.

The Committee is composed of six members. The three-member board of the VLB is joined by the Chairman of the Texas Veterans Commission (TVC) and two representatives of the Veterans community to form the Committee. Both representatives are appointed to the Committee by the Chairman of the Texas Veterans Commission and serve at the Chairman's pleasure. The Committee meets as necessary, and the latest meeting we can confirm occurred in 2005.

Veterans Land Board
Exhibit 4: Subcommittees and Advisory Committees

Name of Subcommittee or Advisory Committee	Size/Composition/How are members appointed?	Purpose/Duties	Legal Basis for Committee
Texas State Veterans Cemeteries Committee	The committee is composed of six members. The three-member board of the VLB is joined by the Chairman of the Texas Veterans Commission and two representatives of the Veterans community, with the Land Commissioner serving as the Chairman.	The committee is responsible for the creation of guidelines to determine the location and size of Veterans cemeteries, and the eligibility for burial in a Veterans cemetery.	Section 164, Texas Natural Resources Code
State Veterans Home Naming Committee	Seven-member committee consisting of the adjutants of the Veterans of Foreign War, American Legion, and Disabled American Veterans; the Executive Director of the Texas Veterans Commission; the Chief Clerk of the General Land Office, Executive Secretary of the Veterans Land Board and the Senior Advisor of Veteran Affairs of the Veterans Land Board	The committee is charged with evaluating nominations submitted for naming of the Texas State Veterans Home and making recommendations to the Board.	Special Advisory Committee appointed by the VLB

Table 4 Exhibit 4 Subcommittees and Advisory Committees

V. Funding

A. Provide a brief description of your agency’s funding.

The Veterans Land Board is funded primarily with the loan repayments and investment earnings associated with VLB-issued bonds through Veterans Land Program Administration Fund No. 522 and Texas Veterans Homes Administration Fund No. 374. Construction projects to establish, expand, or improve the Texas State Veterans Homes and Texas State Veterans Cemeteries, federal grant funds are also used.

B. List all riders that significantly impact your agency’s budget.

General Appropriations Act, 85th Legislature, S.B. 1, Conference Committee Report: General Land Office and Veterans Land Board Rider 4, Appropriation Source: Veterans Land Program

C. Show your agency’s expenditures by strategy.

Veterans Land Board
Exhibit 5: Expenditures by Strategy — 2016 (Actual)

Goal / Strategy	Amount Spent	Percent of Total	Contract Expenditures Included in Total Amount
Goal: Provide Benefit Programs to Texas Veterans			
Strategy 3.1.1: Veterans Loan Programs	\$7,019,108	50.85%	\$3,468,145.19
Strategy 3.1.2: Veterans Homes	\$2,758,567	19.98%	\$79,192,121.11
Strategy C.1.3: Veterans Cemeteries	\$4,026,460	29.17%	\$2,871,325.81
GRAND TOTAL:	\$13,804,135	100.00%	\$85,531,592.11

Table 5 Exhibit 5 Expenditures by Strategy

Note: Includes direct strategy expenditures only.

D. Show your agency’s sources of revenue. Include all local, state, and federal appropriations, all professional and operating fees, and all other sources of revenue collected by the agency, including taxes and fines.

**Veterans Land Board
Exhibit 6: Sources of Revenue — Fiscal Year 2016 (Actual)**

Source	Amount
Texas Veterans Homes Administration Fund No. 374	\$3,562,595
Veterans Land Program Administration Fund No. 522	\$10,086,981
License Plate Trust Fund Account No. 0802	\$3,245
Interagency Contracts	\$70,368
Appropriated Receipts	\$24,718
Federal Funds	\$56,228
TOTAL	\$13,804,135

Table 6 Exhibit 6 Sources of Revenue

Note: Includes direct strategy expenditures only.

E. If you receive funds from multiple federal programs, show the types of federal funding sources.

**Veterans Land Board
Exhibit 7: Federal Funds — Fiscal Year 2016 (Actual)**

Type of Fund	State/Federal Match Ratio	State Share	Federal Share	Total Funding
Veterans Administration – (Cemetery Program)	0/100	\$0	\$56,228	\$56,228
	TOTAL	\$0	\$56,228	\$56,228

Table 7 Exhibit 7 Federal Funds

F. If applicable, provide detailed information on fees collected by your agency.

**Veterans Land Board
Exhibit 8: Fee Revenue — Fiscal Year 2016**

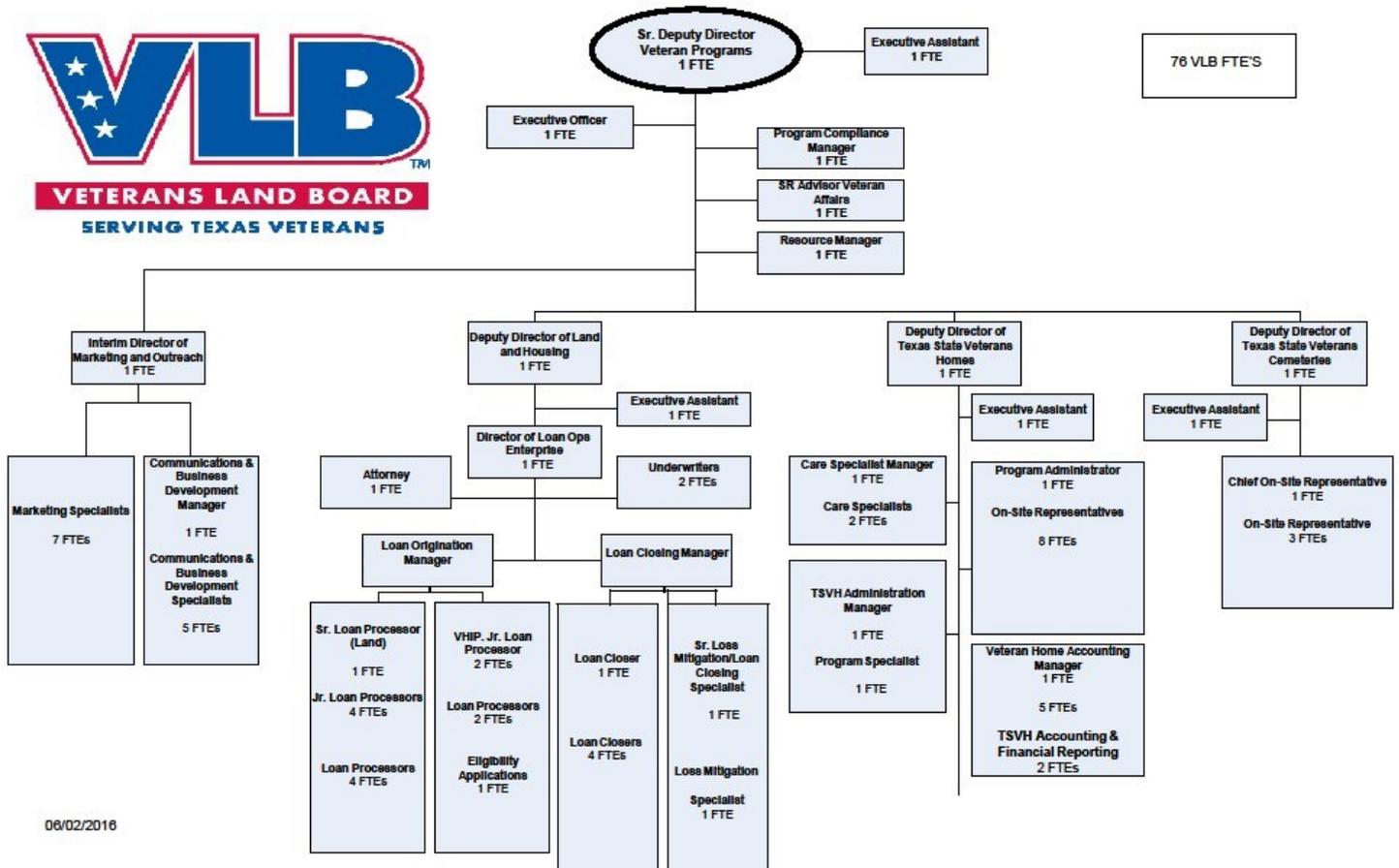
Fee Description/ Program/ Statutory Citation	Current Fee/ Statutory Maximum	Number of Persons or Entities Paying Fee	Fee Revenue	Where Fee Revenue is Deposited (e.g., <i>General Revenue Fund</i>)
(1) a fee not to exceed \$250 for a regular (or first) appraisal of a tract of land;	\$250	1215	\$303,605.28	Fund 0571
(2) a fee not to exceed \$100 for the reappraisal of land previously appraised by the board for the same transaction;	\$100	7	\$700.00	Fund 0571
(3) a fee for a subdivision pre-appraisal and consultation fee \$2 per acre, calculated on the gross acreage in the subdivision, with a minimum of \$250;	\$250	0	\$0.00	Fund 0571
(4) a fee not to exceed \$25 for a returned check (NSF);	\$25	79	\$1,991.18	Fund 0571
(5) The board shall collect a fee not to exceed \$75 for the preparation, review, or approval of any document, including but not limited to the following:	\$75			
(A) contract of sale and purchase;	\$75	1,268	\$94,997.00	Fund 0571
(B) mineral lease or assignment of mineral lease;	\$75	0	\$0.00	Fund 0571

(C) easement, including but not limited to utility easements, access right of ways, and recreational;	\$75	0	\$0.00	Fund 0571
(D) transfer of contract and sale and purchase;	\$75	0	\$0.00	Fund 0571
(E) deed issued when a portion of a tract is severed prior to the full payment of its loan;	\$75	0	\$0.00	Fund 0571
(6) a fee for a deed issued when a loan is paid in full, not to exceed:	\$75			
(A) \$75 if the contract incorporates this chapter by reference, or includes a general reference to the rules and/or regulations of the board; or(B) the amount of the fee that was in effect on the date the contract was executed if the contract contains no reference to the rules and/or regulations of the board.	\$75	32	\$2,317.50	Fund 0571

Table 8 Exhibit 8 Fee Revenue

VI. Organization

- A. Provide an organizational chart that includes major programs and divisions, and shows the number of FTEs in each program or division. Detail should include, if possible, Department Heads with subordinates, and actual FTEs with budgeted FTEs in parenthesis.



Fiscal Year 2017 VLB FTE Summary by Strategy

STRATEGY	PROGRAM AREA	USAS PCA	PCA TITLE	TOTAL	
Strategy 3.1.1	Appraisal	05404	RES/Appraisal/VLB Appraisals	13.0	
	Archives and Records	16101	Archives and Records/Admin.	2.0	
	Investment Management	20501	PSF Investments/VLB	4.5	
	SRDEP-Dir Veterans Land Board	09700	Veterans Land Board/3029	2.0	
	Surveying	14504	RES/Surveying/Field/VLB	7.0	
	Veterans Land and Housing	08411	08411 Administration/Special	2.0	
		08435	08435 Loan Origination/VHAP	26.0	
		08455	08455 Loan Services	2.0	
	Veterans Marketing and Outreach	08432	08432 Communications Center	5.0	
		08438	Communications Center - TVC Staff-IAC	1.0	
		08440	08440 Marketing	10.0	
	3.1.1 TOTAL			74.5	
	Strategy 3.1.2	Construction Services	28300	TSVH Construction Services OP Budget – Admin.	7.0
		SRDEP-Dir Veterans Land Board	09701	Veterans Land Board/3030	2.0
Veterans Homes		09800	TSVH Accounting	7.0	
		09801	TSVH Operating Budget - Administration	8.0	
		09803	TSVH OSR Floresville	1.0	
		09804	TSVH OSR Temple	1.0	
		09805	TSVH OSR Bonham	1.0	
		09806	TSVH OSR Big Spring	1.0	
		09807	TSVH OSR El Paso	1.0	
		09808	TSVH OSR McAllen	1.0	
		09809	TSVH OSR Amarillo	1.0	
		09810	TSVH OSR Tyler	1.0	
3.1.2 TOTAL				32.0	
Strategy 3.1.3		Construction Services	28302	TSVH Construction Services/Cemeteries	1.0
	SRDEP-Dir Veterans Land Board	09703	Veterans Land Board/ 374	1.0	
	Veterans Cemeteries	09802	TX. Vet Homes & Cemeteries/Cemeteries Admin.	5.0	
	3.1.3 TOTAL			7.0	
GRAND TOTAL			113.5		

B. If applicable, fill in the chart below listing field or regional offices.

Veterans Land Board
Exhibit 9: FTEs by Location — Fiscal Year 2017

Headquarters, Region, or Field Office	Location	Co-Location? Yes/No	Number of Budgeted FTEs FY 2017	Number of Actual FTEs as of June 1, 2017
Headquarters	Austin	No	(99.5)	98.5
Field Office, Marketing & Outreach	Austin	No	(1.0)	1.0
Field Office, Marketing & Outreach	Greater Ft. Hood (residence)	No	(1.0)	1.0
Field Office, Marketing & Outreach	North Texas (residence)	No	(1.0)	1.0
Field Office, Marketing & Outreach	South Texas (residence)	No	(1.0)	1.0
Field Office, Veterans Homes On-Site Representative (OSR)	Amarillo	Yes	(1.0)	1.0
Field Office, Veterans Homes OSR	Big Spring	Yes	(1.0)	1.0
Field Office, Veterans Homes(OSR)	Bonham	Yes	(1.0)	1.0
Field Office, Veterans Homes (OSR)	El Paso	Yes	(1.0)	1.0
Field Office, Veterans Homes (OSR)	Floresville	Yes	(1.0)	1.0
Field Office, Veterans Homes (OSR)	McAllen	Yes	(1.0)	1.0
Field Office, Veterans Homes (OSR)	Temple	Yes	(1.0)	1.0
Field Office, Veterans Homes (OSR)	Tyler	Yes	(1.0)	1.0
Field Office, Veterans Cemeteries (Chief OSR)	Abilene	Yes	(1.0)	1.0
Field Office, Veterans Cemeteries (OSR)	Corpus Christi	Yes	(1.0)	1.0

Field Office, Veterans Cemeteries (OSR)	Killeen	Yes	(1.0)	1.0
Field Office, Veterans Cemeteries (OSR)	Mission	Yes	(1.0)	0
			TOTAL: (115.5)	TOTAL: 113.5

Table 9 Exhibit 9 FTEs by Location

Note: Includes direct strategy FTEs only using AY 2017 data.

C. What are your agency’s FTE caps for fiscal years 2016–2019?

There is no FTE cap assigned to Veterans Land Board strategies. The agency-wide FTE cap for the GLO is as follows:

FY2016 and FY2017: 649.2
 FY2018 and FY2019: 600.0

D. How many temporary or contract employees did your agency have as of August 31, 2016? Please provide a short summary of the purpose of each position, the amount of expenditures per contract employee, and the procurement method of each position.

None.

E. List each of your agency’s key programs or functions, along with expenditures and FTEs by program.

**Veterans Land Board
 Exhibit 10: List of Program FTEs and Expenditures — Fiscal Year 2017**

Program	Number of Budgeted FTEs FY 2017	Actual FTEs as of June 1, 2017	Actual Expenditures
Veterans Loan Programs	75.5	74.5	\$7,019,108
State Veterans Homes	32.0	32.0	\$2,758,567
State Veterans Cemeteries	8.0	7.0	\$4,026,460
TOTAL	115.5	113.5	\$13,804,135

Table 10 Exhibit 10 List of Program FTEs and Expenditures

Note: Includes only direct FTEs and expenditures for VLB strategies.

VII. Guide to Agency Program

A. Provide the following information at the beginning of each program description.

Name of Program or Function:	Veterans Programs
Location/Division:	Austin/Veterans Land Board
Contact Name:	Matthew "Matt" Elledge
Actual Expenditures, FY 2016:	\$136,801
Number of Actual FTEs as of June 1, 2017:	2 FTEs
Statutory Citation for Program:	Natural Resources Code, Title 7. Resources Programs, Chapter 161. Veterans Land Board Subchapter A. General Provisions, Sec. 161.014

B. What is the objective of this program or function? Describe the major activities performed under this program.

The Senior Deputy Director of the Veterans Land Board/Executive Secretary is responsible for overseeing the day-to-day operations of six programs that provide benefits and services for Texas Veterans, military members and their families. These programs include: low interest land, home, and home improvement loans; skilled nursing home care in eight state Veterans homes; burial and interment services in four state Veterans cemeteries; and Veterans benefit information and assistance services through the Texas Veterans Call Service Center, a collaboration between the VLB and the Texas Veterans Commission.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and outcome performance measures that best convey the effectiveness and efficiency of this function or program. Also, please provide a short description of the methodology behind each statistic or performance measure.

See Exhibit 2.

- D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.**

The Senior Deputy Director of the VLB, Matthew Elledge was hired on January 1, 2016, under Commissioner George P. Bush of the General Land Office and Chairman of the Veterans Land Board. On January 28, 2016, the Board named Elledge as the Executive Secretary of the VLB.

- E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.**

N/A

- F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.**

N/A

- G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).**

Funding for this program is \$136,801 in Veterans Land Program Administration Fund No. 522. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

The VLB and TVC, in partnership with the Department of Veterans Affairs, agree jointly to plan and co-host at VA medical facilities and other suitable locations a total benefits package presentation to Veterans at all benefits fairs and meetings. The TVC agrees to invite the VLB to TVC Veterans County Service Officer Initial Training and all TVC conferences. Costs will be shared between the parties, as agreed in the MOU.

The VLB and TVC mutually agree to place on each party's respective website a link to the party's website.

- H. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.**

The VLB and the TVC serve the Veterans of Texas, military members and their families by providing and administering various benefits programs and services.

The VLB and TVC share information about each agency's benefit programs and services for Veterans, military members and their families.

- I. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.**

(See other contacts on page 81).

- J. If contracted expenditures are made through this program, please provide:**

- a short summary of the general purpose of those contracts overall;
- the amount of those expenditures in fiscal year 2016;
- the number of contracts accounting for those expenditures;
- the method used to procure contracts;
- top five contracts by dollar amount, including contractor and purpose;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

N/A (See other Program Areas.)

- K. Provide information on any grants awarded by the program.**

N/A

- L. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.**

No.

- M. Provide any additional information needed to gain a preliminary understanding of the program or function.**

In 2017, the VLB's first order of business was to reorganize to better meet the needs of our Veterans. By dividing the team into Loan Origination and Loan Closing, the division will be

better equipped to expedite the loan process to meet expected increases in demand. The Veteran Cemeteries Program is now being overseen by the newly created Veteran Cemeteries Division. This division hired on-site representatives to quickly meet the needs of our Veteran families, ensuring they receive the highest quality of service and that our Veterans are laid to rest with dignity and honor. Because of the importance of educating our Veterans on all programs offered by VLB, our Marketing and Outreach Team is now its own division and will support all VLB programs as well as the Texas Veterans Commission.

N. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **sanctions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

O. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency’s practices. Please include a brief description of the methodology supporting each measure.

N/A

**Veterans Land Board
Veterans Program
Exhibit 11: Information on Complaints Against Regulated Persons or Entities
Fiscal Years 2015 and 2016**

	Fiscal Year 2015	Fiscal Year 2016
Total number of regulated persons	N/A	N/A
Total number of regulated entities	N/A	N/A
Total number of entities inspected	N/A	N/A
Total number of complaints received from the public	N/A	N/A
Total number of complaints initiated by agency	N/A	N/A
Number of complaints pending from prior years	N/A	N/A
Number of complaints found to be non-jurisdictional	N/A	N/A
Number of jurisdictional complaints found to be without merit	N/A	N/A
Number of complaints resolved	N/A	N/A
Average number of days for complaint resolution	N/A	N/A
Complaints resulting in disciplinary action:	N/A	N/A
administrative penalty	N/A	N/A

reprimand	N/A	N/A
probation	N/A	N/A
suspension	N/A	N/A
revocation	N/A	N/A
other	N/A	N/A

Table 11 Exhibit 11 Information on Complaints Against Persons or Entities

A. Provide the following information at the beginning of each program description.

Name of Program or Function:	Loan Programs
Location/Division:	Austin/Veterans Land Board
Contact Name:	William "Bill" McLemore
Actual Expenditures, FY 2016:	\$5,004,732
Number of Actual FTEs as of June 1, 2017:	56.5 FTEs
Statutory Citation for Program:	Natural Resources Code Title 7. Resources Programs Chapter 161. Veterans Land Board Subchapter A. General Provisions, Sec. 161.014

B. What is the objective of this program or function? Describe the major activities performed under this program.

This program is the only state-sponsored program of its kind in the nation. The uniqueness of the program and the legal and financial parameters under which it operates require a sophisticated set of policies and systems to ensure it functions effectively. The program is easy to use and offers Texas Veterans exclusive financing towards the purchase of their own piece of Texas. The bonds used to fund the program are retired from loan repayments and the cost of administering the program is financed through a small fee charged on each loan.

In 1983, the Legislature created the VLB Veterans Housing Assistance Program (VHAP) to aid Texas Veterans in purchasing a home. Eligible Texas Veterans have an opportunity to purchase a home with a competitive, low-interest loan with little or no down-payment. Veterans, military members and their spouses; today they may receive up to \$424,100 on a fixed-rate loan for 15, 20, 25 or 30 year terms. Veterans with a VA service-connected disability rating of 30% or greater qualify for a discounted interest rate.

New homes must have either ENERGY STAR® certification or HERS Index score of 75 or less.

The home must remain as the veteran's primary residence for at least three years, and the Veteran borrower must occupy the home within 60 days after loan closing.

The VLB Veterans Land Loan Program is the only one of its kind in the nation, giving Texas Veterans the opportunity to borrow up to \$150,000 to purchase land at competitive interest rates while typically requiring a minimum 5% down payment for tracts one acre or more.

The VLB provides efficient land and housing loan programs that produce opportunities for Texas Veterans, military members, their families, and industry associates by incorporating sound business practice, advanced technology and cutting edge innovations to offer the very best package of Veterans benefits in the nation.

Major Activities Performed under this program are as follows:

VLB Land Loan Program: This program gives Texas Veterans the opportunity to borrow up to \$150,000 to purchase land at competitive interest rates while typically requiring a minimum 5% down payment for tracts one acre or more. The bonds used to fund the program are retired from loan repayments and the cost of administering the program is financed through a small fee charged on each loan.

VLB Veterans Housing Assistance Program (VHAP): Eligible Texas Veterans have an opportunity to purchase a home with a competitive, low-interest loan with little or no down-payment. Veterans, military members and their spouses may receive up to \$424,100 on a fixed-rate loan for 15, 20, 25 or 30 year terms. Veterans with a VA service-connected disability rating of 30% or greater qualify for a discounted interest rate.

VLB Home Improvement Loan Program (VHIP): This program was introduced in 1986 to provide below-market interest rate loans to qualified Texas Veterans for home repairs and improvement to their existing homes.

The VLB offers up to \$50,000 for a 20-year loan or up to \$10,000 for a 10-year loan. Veterans with a VA service-connected disability rating of 30% or greater qualify for a discounted interest rate.

It's possible for a veteran to have one active loan in each program — land, home, and home improvement at the same time. Once a Veteran, or his or her successor, has successfully paid off a VLB home improvement loan s/he may obtain another VLB home improvement loan. The same applies to our land and housing program. All VLB programs are self-funded, using no public taxpayer funding. VLB programs are financed with bonds, which are serviced by loan payments from Veteran participants.

Land Sales (Available to Veterans Only): Sometimes the VLB must forfeit on delinquent land loans. The VLB then makes these tracts of land available for other Texas Veterans and or Active Duty Military Member to purchase in our Quarterly Online Land Sales held every January, April, July and October.

Land that isn't sold during this sale will become available in our public sale. Tracts may be added or withdrawn by the VLB at any time or for any reason. A Veteran whose bid is accepted may apply for a VLB land loan for 30 years at a 7.25 % interest rate with a minimum five percent down payment. The land loan limit is \$150,000.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and outcome performance measures that best convey the effectiveness and efficiency of this function or program. Also, please provide a short description of the methodology behind each statistic or performance measure.

The primary measure of effectiveness is the increase in loan applications.

The primary measure of performance is the efficiency of our loan processing.

Key Measure: Number of Land and Home Improvement Loans Funded by the VLB

Methodology: A monthly report created by VLB staff is retrieved from the Mortgage builder data base specifying the number of land and home improvement loans funded
--

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

- Successfully employed an electronic signature advanced technology software to provide a more effective loan operation and business process.
- Successfully developed and employed a cutting edge electronic dashboard software program that provides a real-time status of key performance indicators.
- Improved loss mitigation performance using advanced technology to allow online bidding, which provides a more efficient and timely process for forfeited land sales.
- Restructured the Veterans Home Improvement Loan application process for a more user-friendly experience.
- Developed an advanced technology bidding process for Type I tracts that incorporated sound business processes and an integrated database for recording, auditing and reporting these sales.
- Collaborated with intergovernmental partners and industry professionals to assist Veterans with credit repair and enhance Veterans ability to repay loans.

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

VETERAN ELIGIBILITY:

To be eligible for VLB programs, Veterans, military members and their spouses must be:

- At least 18 years of age
- A bona fide and legal resident of Texas on the date of application and meet one of the following service criteria:
 1. An active duty military member
 2. A member of the Texas National Guard
 3. A reserve component military member having completed 20 qualifying years for retirement
 4. A Veteran having served at least 90 active duty days unless discharged sooner due to service connected disability and not discharged dishonorably
 5. A surviving spouse of a Veteran listed as missing in action or whose death was service connected.

LAND LOAN REQUIREMENTS:

To be eligible for VLB financing, the land must:

Be wholly within the state of Texas

- Contain at least one acre, excluding any portion beneath a dedicated public roadway or navigable waterway or subject to frequent inundation or otherwise unusable.
- Have legal, usable access to a public road. Access must be a minimum of 60 feet wide or meet the county public road width requirements, whichever is greater. "Usable" means that it can be driven on by a standard passenger car in inclement weather.
- Be properly described by either a Field Note description of the tract with the Surveyor's Official Seal and Signature (original or copy), or a complete copy of the recorded subdivision plat if the description is by Lot & Block.
- Not be zoned strictly for commercial use.
- Not have been owned by you or your spouse within the previous three years.

No value will be given to any improvements on tracts. Multiple, contiguous tracts may be combined under one financing instrument provided each share is not less than 60 linear feet of common boundary or tracts are adjacent to one another and separated solely by the actual width of the public right of way.

Home Loan Requirements:

To qualify, homes must meet the following requirements:

- Home must be the veteran's primary residence in Texas
- Home must be a single family attached or detached home, townhome or condominium
- Duplexes or other multi-family units must have been constructed at least five years prior to the closing date of the loan
- New homes must have either ENERGY STAR certification or HERS Index score of 75 or less
- The home must remain as the veteran's primary residence for at least three years, and the Veteran borrower must occupy the home within 60 days after loan closing.

The VLB home loan program provides Veterans with loans, where VLB is in first lien position of the primary residence. It's possible for a veteran to have one active loan in each program — land, home, and home improvement — at the same time.

Once a Veteran, or his or her successor, has successfully paid off a VLB home loan s/he may obtain another VLB home loan. The same applies to our land program. All VLB programs are self-funded, using no public taxpayer funding. VLB programs are financed with bonds, which are serviced by loan payments from Veteran participants.

Home Improvement Requirements:

VLB Home Improvement Loans in the amount of \$25,000 or less are insured by the Federal Housing Administration (FHA). To qualify, the following requirements must be met:

- The home being repaired must be wholly located in the state of Texas.
- The home must be the applicant's primary residence.
- Single family dwellings, condominiums, duplexes, triplexes and four-plexes are eligible. Duplexes, triplexes and four-plexes must be at least 5 years old. Modular or manufactured homes that are on a permanent foundation and are part of the real estate (real property) may also be eligible, but the final decision on these types of loans will be determined by the VLB
- The VLB must be in first or second lien position.
- The borrower cannot advance funds to the contractor or purchase material prior to receipt of the loan proceeds from VLB. Loan proceeds will be available on the fourth business day after closing.
- The borrower must secure a general contractor.

Project Eligibility:

A VLB home improvement loan can be used for alterations, repairs and improvements that are eligible for financing under the Department of Housing & Urban Develop (HUD) federal Housing Administration (FHA) Title I Loan Program.

All work and/or construction must be in compliance with the applicable building codes and standards. The VLB home improvement loan can only be used to make repairs and improvements to the Veterans existing primary residence.

M. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The Loan Programs is overseen by the Deputy Director/Assistant Executive Secretary of the VLB. In addition, the Deputy Director of Loan Operation and two managers for loan processing and loan closing.

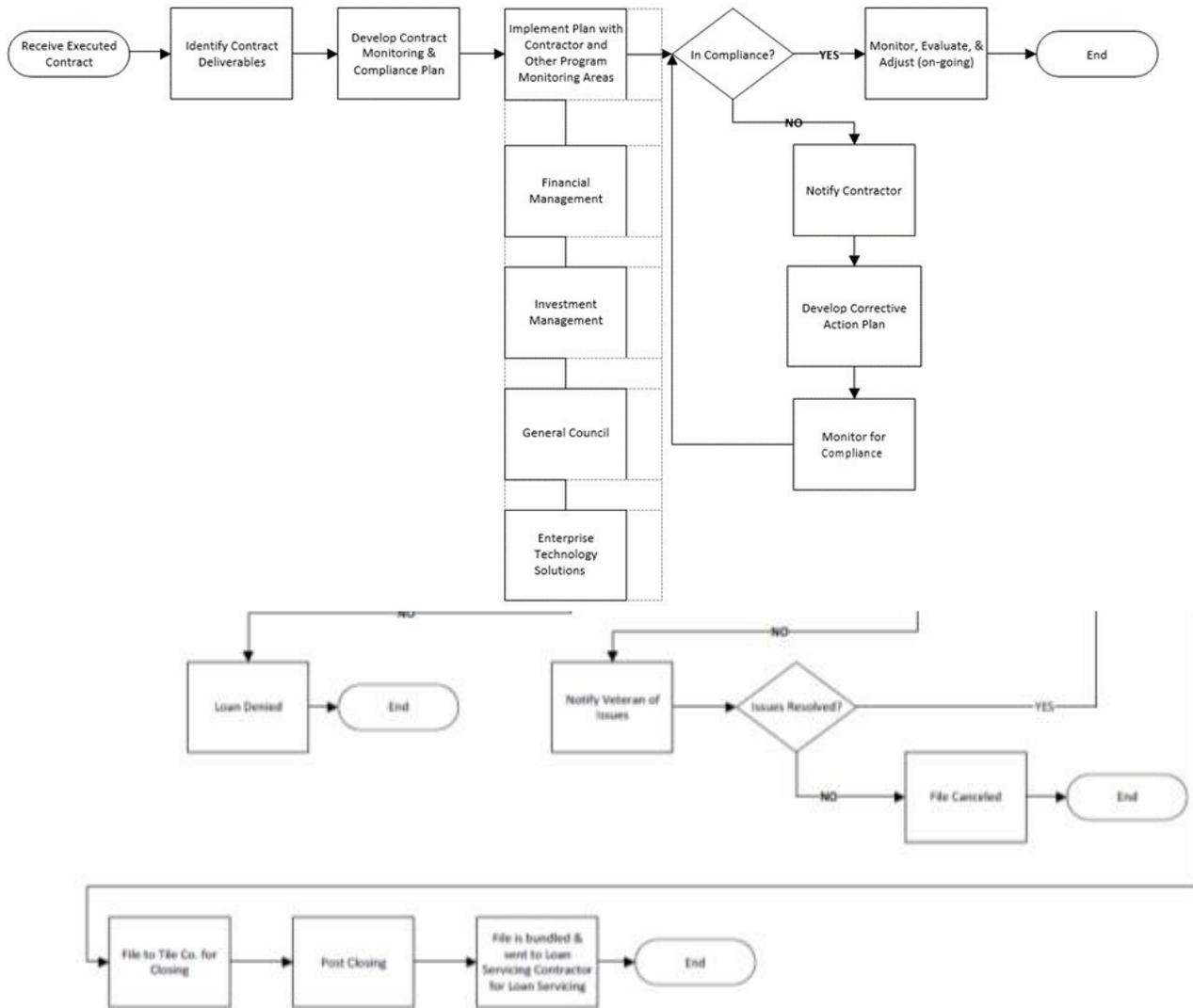
Loan Operations Division receives, processes, originates, and closes land, housing, and home improvement loan applications. The division monitors and acts as an operational liaison with the Veterans Housing Program Administrator and private sector lenders on loan origination program guidelines and issues. The division also monitors, mediates, and resolves customer questions and complaints regarding lenders, realtors, and origination issues. In addition, the division serves as the operational liaison with the Veterans Housing Assistance Program Administrator and the Land Program Servicer, as well as private sector loan servicers, enforcing program servicing guidelines.

Moreover, Loan Operations receives and tracks documents, performs minimum quality control on documents, and ensures documents are properly executed, notarized, and returned to the servicer. It is also responsible for processing housing and home improvement loan releases of lien, foreclosures and assumptions, and loss mitigation services for the land program. This includes facilitating payment of back taxes payable on the sale of foreclosed land tracts, monitoring and handling accounts that are more than 120 days delinquent, forfeited, or ordered for sale (foreclosed).

Lastly, the division prepares and conducts Quarterly On-Line Forfeited Land Sales and maintains the Type II Land Program, which offers the public the opportunity to purchase foreclosed tracts not sold to Veterans at the semi-annual Forfeited Land Sale.

The VLB continues to improve each program by streamlining processes and continuous improvement in the loan production by offering the best loan packages in the nation.

**Loan Programs-Land and Housing
Loan Servicing
Contract Oversight and Monitoring**



- G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).**

Funding sources for this program includes \$3,245 in License Plate Trust Account No. 0802 and \$5,001,487 in Veterans Land Program Administration Fund No. 522.

- H. Identify any programs, internal or external to your agency, that provides identical or similar services or functions to the target population. Describe the similarities and differences.**

This program operates within standard mortgage lending practices. However, there is no agency internal or external that offers low interest land loan long-term financing to veterans only for raw land.

- I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.**

N/A

- J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.**

The program must comply with federal Housing and Urban Development (HUD) guidelines.

- K. If contracted expenditures are made through this program please provide:**

- **A short summary of the general purpose of those contracts overall;**

The Loan Operations Division is responsible for originating (processing) Land and Home Improvement loans for eligible Texas Veterans from receipt of application to loan closing. The loan process consists of four primary processes: Application Intake and Pre-qualification, Loan Processing, Underwriting, Post Closing and Closing. VLB-Land and Housing Division contracts with those contractors below to provide the most efficient and effective loan processing services to meet veteran requirements and expectations.

- **The amount of those expenditures in fiscal year 2016;**

Total amount of expenditures in fiscal year 2016, is \$2,527,358.98

- **The number of contracts accounting for those expenditures;**

There are a total of five contracts accounting for these expenditures.

- **The method used to procure contracts;**

Method used to procure the contracts is the Request for Proposal (RFP) process.

- **Top five contracts by dollar amount, including contractor and purpose;**

See chart on next page for top five contracts by dollar amount.

- **The methods used to ensure accountability for funding and performance;**

See column five in chart below regarding Purchase Order number (accountability of funding.)

CitiMortgage payments are manually processed. Invoices are received from CitiMortgage by VLB Accounting and reviewed for accuracy and forwarded to the Chief Investment Officer for approval. Payments are made by Cash Management and posted manually into Abila MIP.

- **A short description of any current contracting problems.**

1. The Contract Management Team is in the process of implementing a new Contract Management database.
2. In 2015/2016, the General Land Office went through a major agency re-organization. Thus, there may be instances where programs areas were re-named and Contract Management attempted to reclassify the contract to its appropriate program area.

L Strategy: 3.1.1

Purpose	Total Expenditures FY2016	Vendor	Contract Number	Purchase Order Number	Method Used to Procure Contract
Loan Servicing for Land Loans (Contract for Deed & Mortgages)	\$1,395,412.16	Dovenmuehle, Inc.	08-121-000-1263	6394 & 6395	Request for Proposal (RFP)
Loan Administration and Servicing for Home Loans	\$979,905.43	CitiMortgage	00-175-000-1580	6394 & 6395	RFP
Credit Verification and Reporting Services for Loan Applicants	\$64,038.22	Corelogic Credo, LLC.	15-322-000-9219	6476	RFP
Loan Origination Software for Processing Land and Home Improvement Loans	\$63,576.87	Mortgage Builder/Altisource Inc.	08-057-000-1144	6415	RFP
Electronic Income and Employment Verification for Loan Applicants	\$24,426.30	TALX Corp. (Equifax)	17-256-000-A210	6721	RFP

Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program’s performance, including any outdated or ineffective state laws? Explain.

Federal legislation allows Texas and four other states (California, Oregon, Wisconsin and Alaska) to use private activity bonds known as the Qualified Veterans Mortgage Bonds (QVMB), as a funding source for low interest loans would positively impact the Veterans Housing Assistance Program. Current federal bills are H.R. 2952 and S. 1449 of the 109th Congress. Unless extended, new funds would primarily come from taxable sources resulting in less competitive interest rates on VLB loans.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

The VLB Land and Housing Program supports effective and efficient operations by focusing on the achievement of clear and measurable goals that ensure significant return on investment to the VLB fund. The VLB's programs receive no appropriated funding from taxpayers; the programs operate as an enterprise supported by the Texas Veterans Land Fund. As such, the programs have a fiduciary duty to ensure that an appropriate return on investment, from the fund, is made.

In that regard, key annual program goals are established to ensure that those budgetary allocations generate new loans to the fund portfolio. Today, the VLB manages a \$1.3 billion-dollar loan portfolio. Fiscal 2016, \$3.5 million-dollar operational budget is expected to produce new loans exceeding a half billion dollars. This financial model is expected to continue during future years.

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **sanctions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency's practices. Please include a brief description of the methodology supporting each measure.

**Veterans Land Board
Loan Programs
Exhibit 13: Information on Complaints Against Regulated Persons or Entities
Fiscal Years 2015 and 2016**

	Fiscal Year 2015	Fiscal Year 2016
Total number of regulated persons	N/A	N/A
Total number of regulated entities	N/A	N/A
Total number of entities inspected	N/A	N/A
Total number of complaints received from the public	N/A	N/A
Total number of complaints initiated by agency	N/A	N/A
Number of complaints pending from prior years	N/A	N/A
Number of complaints found to be non-jurisdictional	N/A	N/A
Number of jurisdictional complaints found to be without merit	N/A	N/A
Number of complaints resolved	N/A	N/A
Average number of days for complaint resolution	N/A	N/A
Complaints resulting in disciplinary action:	N/A	N/A
administrative penalty	N/A	N/A
Reprimand	N/A	N/A
Probation	N/A	N/A
Suspension	N/A	N/A
Revocation	N/A	N/A
Other	N/A	N/A

Table 13 Exhibit 13 Information on Complaints Against Persons or Entities

A. Provide the following information at the beginning of each program description.

Name of Program or Function:	Texas State Veterans Homes
Location/Division:	Austin/Veterans Land Board
Contact Name:	John Berkely
Actual Expenditures, FY 2016:	\$2,758,567
Number of Actual FTEs as of June 1, 2017:	32 FTEs
Statutory Citation for Program:	Natural Resources Code, Title 7. Resources Programs, Chapter 161. Veterans Land Board Subchapter A. General Provisions, Sec. 161.014

B. What is the objective of this program or function? Describe the major activities performed under this program.

The VLB Texas State Veterans Homes provide affordable, long-term nursing care for Texas Veterans, their spouses and Gold Star parents. Conveniently located across Texas, each first-class facility is designed to enhance quality of life with a clean, caring and dignified setting appropriate to those men and women who have served our country with honor.

Because the VA subsidizes much of a veteran's cost to stay at a VLB Texas State Veterans Home, daily out-of-pocket rates are well below average and include the cost of medications for Veterans. Residents can choose between a spacious private or semi-private room based upon availability. Alzheimer's units at each home provide highly specialized care, including beautifully landscaped, secure courtyards.

There are eight Texas State Veterans Homes across the state which accommodate the following:

Amarillo » Ussery Roan State Veterans Home: Opened in 2007

- 120 beds total
- 30 Alzheimer's beds
- Medicaid / Medicare
- Serves Panhandle area
- Managed by Touchstone

Big Spring » Lamun-Lusk-Sanchez Texas State Veterans Home: Opened in 2001

- 160 beds total
- 60 Alzheimer's beds
- Medicaid / Medicare
- Serves West Texas area
- Managed by Touchstone

Bonham » Clyde W. Cospers Texas State Veterans Home: Opened in May 2001

- 160 beds total
- 32 Alzheimer's beds
- Medicaid / Medicare
- Serves North Texas area
- Managed by Texas VSI

El Paso » Ambrosio Guillen Texas State Veterans Home: Opened in July 2005

- 160 beds total
- 60 Alzheimer's beds
- Medicaid / Medicare
- Serves Far West Texas
- Managed by Touchstone

Floresville » Frank M. Tejada Texas State Veterans Home: Opened in December 2000

- 160 beds total
- 32 Alzheimer's beds
- Medicaid / Medicare
- Serves South Central Texas area
- Managed by Touchstone

McAllen » Alfredo Gonzalez Texas State Veterans Home: Opened in June 2005

- 160 beds total
- 60 Alzheimer's beds
- Medicaid / Medicare
- Serves Rio Grande Valley
- Managed by Touchstone

Temple » William R. Courtney Texas State Veterans Home: Opened in May 2000

- 160 beds total
- 32 Alzheimer's beds
- Medicaid / Medicare
- Serves Central Texas area
- Managed by Touchstone

Tyler >> Watkins-Logan Texas State Veterans Home: Opened in early 2012

- 100 Beds total
- New, family-style design
- 10 individual cottages, 10 private rooms per cottage
- Accommodates 100 Veterans
- 20 certified Alzheimer units
- One community building
- Serves East Texas
- Managed by Texas VSI

Daily room rates include room, board, medication and skilled nursing care, as well as amenities and activities. Specialized Memory Support care is an additional cost.

VLB Accounting:

The Accounting Team reviews all aspects of the TSVH operator financial operations:

- Compliance with Medicare, Medicaid, USDVA and other local, state, federal land and requirements for:
 1. Billing Medicaid parts A and B;
 2. Billing Medicaid;
 3. USDVA for Aid and Attendance funding;
 4. Resident funds protections;
 5. Resident consent for third-party billing, bed hold agreements;
- Private pay billing for:
 1. Compliance with medication/pharmacy ordering procedures;
 2. Census data to include funding sources for payments of residents;
 3. Funds collection;
 4. Operator requests for payment.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and outcome performance measures that best convey the effectiveness and efficiency of this function or program. Also, please provide a short description of the methodology behind each statistic or performance measure.

The primary measure of effectiveness is the level of compliance in U.S. Department of Veterans Affairs/Department of Aging Disability Services inspections and minimum overall Centers for Medicare & Medicaid Services (CMS) Nursing Home rating of three stars. The primary measure of efficiency is 90% or better during the annual Family Resident Survey.

Key Measure: Occupancy Rate at Veterans Homes
--

Methodology: The average number of occupied beds of an accounting period, divided by the total number of available beds for the same period, determines the occupancy rate.
--

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

Since 2012, the VLB has been awarded 14 grants from the U.S. Department of Veterans Affairs for life safety/renovations at seven of the eight homes. The federal assistance has supported renovations throughout the communities to include the replacement of items such as emergency generators, departure alert systems, nurse call systems, water heaters, rooftop HVAC air handling units, as well as the remodeling of nurses' stations and shower rooms. In addition, the VLB was awarded a grant in May 2017 for construction of a new home in Houston. The U.S. Department of Veteran Affairs funds up to 65 percent of the construction/renovation costs and the state funds the remaining 35 percent share. The operation of these homes along with the development of additional

state Veterans homes continues to provide employment opportunities and stimulus to local economies.

iN2L Person-Centered Technology is now in all 8 TSVH. This computer intuitive design incorporates numerous user-friendly technology components enabling everyone; residents, staff and family — regardless of experience, physical or intellectual abilities — to use the computer. An iN2L system is a complete package providing a truly integrated experience. A simple press of a button can launch hundreds of applications for Activities, Cognitive Stimulation, Family Connection, Memory Care, Health & Wellness, Games & Puzzles, Spirituality, Independence, Music Therapy, TV & Film, Sports, Travel, Lifelong Learning, History & Nostalgia, Physical Fitness & Fall Prevention.

Veteran Centered Care – Our homes are very different than a standard nursing home.

In a Standard Nursing Home:

- 95%+ are female residents
- Of those female residents, the majority were homemakers – professional work outside the home was done as nurses, teacher or administrative positions;
- The population consists of some Veterans;
- Typical interests for activities are: group socials, board games, crafts, music, and religious events.

In a Veteran Nursing Home:

- 95%+ are male residents;
- Of those male residents' 100 percent were trained to kill or be killed – and they were never formally “untrained” – professional work after the military was usually based on military experience, especially if military career was over five years long;
- Typical interest for activities are: 1:1 games, politics, military, police, fire and rescue workers, fishing/hunting, nature and outdoors, animals, music, some religious events, sports, cars, trucks, trains, boats, planes, outdoor work, building, woodworking, and painting;
- We offer an EARNED benefit;
- Every resident has military experience in one form or another – Veteran, Veteran Spouse, or a Veteran Gold Star Parent.

Post-Traumatic Stress Training:

To understand and better serve our Veterans, the VLB TSVH developed a Post-Traumatic Stress training which was initiated in September of 2015 for all operator staff as well as the VLB staff in the TSVH division. The training is a mandatory, annual training and covers:

- Definition of PTS, dementia, and behaviors
- Basic understanding of Post-Traumatic Stress
- What are triggers

- How to proactively avoid triggers
- Brain changes in PTS and dementia
- Commonly exhibited behaviors
- Appropriate staff interventions
- STAR VA card use
- Communication
- Best and worst medication for treating PTS, dementia, and behaviors in the elderly
- Survivor's guilt, moral injury, and end of life

We have seen a reduction in admission denials, discharges and behavior health hospitalizations due to the training and the staff understanding of who they are caring for.

New Therapies: The TSVH division is now requiring our operators to offer equine therapy, music therapy, and art therapy in all eight homes. The value of these therapies is well documented to improve the quality of life of Veterans who have experienced trauma, particularly combat or military operational trauma.

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

VLB Texas State Veterans Homes are a benefit meant to provide first-class, long-term care at an affordable price exclusively for Texas Veterans, their spouses, and Gold Star Parents. Criteria include:

- A Veteran having served at least 90 active duty days unless discharged sooner; due to service connected disability and not discharged dishonorably
- The Spouse of a Veteran;
- A Gold Star Parent is the parent of a Service Member killed while serving in the military.

The homes affordability comes from the establishing legislation which allows veteran residents to combine private, federal and/or Medicare or Medicaid to cover daily costs.

Texas State Veterans Homes are not a free benefit: the resident and/or their responsible party must make payment arrangements for care in a Texas State Veterans Home.

- Daily room rates include room, board, medication and skilled nursing care, as well as amenities and activities. Specialized Memory Support care is an additional cost.

Privately Paying: The following rates will be effective March 1, 2016:

The VLB rate for a basic semi-private or private room at any Texas State Veterans Home, excluding Tyler, is \$143.00 and \$192.00 per day, respectively. The private pay rate for Tyler is \$234.00.

- For every eligible veteran, the federal Department of Veterans Affairs (VA) will cover the lesser of the VLB actual per diem for each day the veteran is in the home; or the basic per diem rate. (The basic rate is \$103.61, in accordance with 38 U.S.C. 1741(c).
- The VLB standard per diem (for billing purposes only) is a minimum of \$90 per day.
- Specialized Memory Support care requires an additional \$12.00 to \$14.00 per day.

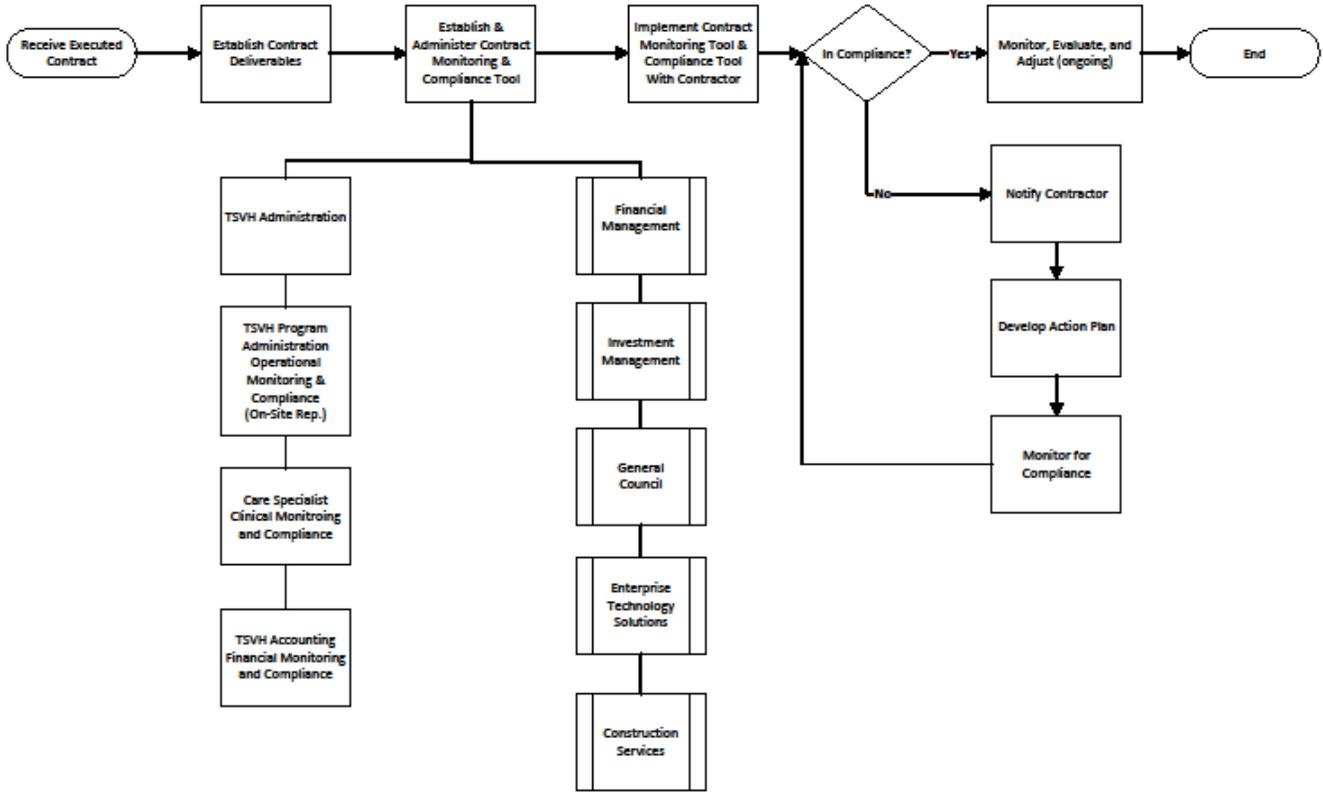
You must be a Veteran, Spouse, Surviving Spouse or a Gold Star Parent.

- Documentation Requirements: Veteran's discharge document (DD 214 or equivalent).
- If acting on behalf of the proposed resident, also attach a copy of guardianship documentation or a signed durable medical power of attorney.

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The program is overseen by the Deputy Director of the Texas State Veterans Homes. The Management and operation of the homes is contracted to professional long-term care corporations: Touchstone and Texas VSI. In addition, the program has a Care Specialist Manager and Program Administrator over the On-Site Representatives of the homes.

Texas State Veterans Homes Contract Oversight and Monitoring



- G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).**

Funding for this program is \$2,758,567 in Veterans Land Program Administration Fund No. 522.

- H. Identify any programs, internal or external to your agency, that provides identical or similar services or functions to the target population. Describe the similarities and differences.**

There are private nursing homes in the Texas that provide similar Veterans services. The U.S. Department of Veterans Affairs also provides long-term nursing care services in selected areas.

- I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.**

The VLB entered provider agreements with the Veterans Administration (VA) on February 2, 2013, rather than continuing in the contractual agreement previously used. The provider agreement differs from the prior per diem rates set for all Veterans by adapting the VA calculation rate commonly called the "prevailing Medicare rate." The prevailing Medicare rate exceeds the contractual per diem paid for 70 percent service connected Veterans. The number of service-connected Veterans being served by the state Veterans homes communities continues to increase. With this increase in revenue, the VLB will be better able to provide skilled nursing services and will be well-positioned to increase the number of Veterans serviced.

- J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.**

U.S. Department of Veterans Affairs; Health and Human Services/Department of Aging Disability Services; local Health Departments. These agencies issues licenses and certifications to operate the Veterans Homes. The agencies also conduct Licensing inspections; annual Health and Safety surveys, and conduct complaint investigations.

K. If contracted expenditures are made through this program please provide:

- **A short summary of the general purpose of those contracts overall;**

The Texas General Land Office on behalf of the Texas Veterans Land Board, operates eight Texas State Veterans Homes across the state of Texas. These facilities provide skilled nursing care for the benefit of eligible veterans of the United States Armed forces. Each facility is a single-story structure with capacities ranging from 100 to 160 residents.

The GLO/VLB contracts with Operators to operate and manage these facilities on behalf of the GLO/VLB, in accordance with all applicable laws, rules, regulations, standards, and policies of federal, state, and local governments and any other entity that may have jurisdiction. Selected Operators are bound to specific terms and conditions found in the GLO/VLB's Private Management and Operation of Skilled Veterans Nursing Care Facility Contracts. Operators supervise the performance of all administrative functions as may be necessary in the management and operation of the Veterans Home including comprehensive medical, nursing, administrative, and social programs.

- **The amount of those expenditures in fiscal year 2016;**

Total amount of expenditures in fiscal year 2016, is \$79,192,121.11.

- **The number of contracts accounting for those expenditures;**

There is a total of 30 contracts accounting for these expenditures.

- **The method used to procure contracts;**

Method used to procure the contracts is the Request for Proposal (RFP) process.

- **Top five contracts by dollar amount, including contractor and purpose;**

See chart on next page for top five contracts by dollar amount.

- **The methods used to ensure accountability for funding and performance; and**

See column five in chart regarding Purchase Order number (accountability of funding).

- **A short description of any current contracting problems.**

1. The Contract Management Team is in the process of implementing a new Contract Management database.
2. In 2015/2016, the General Land Office went through a major agency re-organization. Thus, there may be instances where Programs Areas were re-named and Contract Management attempted to reclassify the contract to its appropriate Program Area. In the current Contract Management System,

this reclassification is a manual process and some reclassifications may have been missed.

Strategy 3.1.2

Purpose	Total Expenditures FY2016	Vendor	Contract Number	Purchase Order Number	Method Used to Procure Contract
Manage and operate the Texas State Veteran’s Home – El Paso	\$11,080,976.45	Touchstone Veterans Management, Ltd.	14-341-000-8576	6581	Request for Proposal (RFP)
Manage and operate the Texas State Veterans Home – McAllen	\$10,914,403.52	Touchstone Veterans Management, Ltd.	14-342-000-8577	6579	RFP
Manage and operate the Texas State Veterans Home – Floresville	\$10,088,041.07	Care Inns of Texas – Care Inn Management, Inc.	15-057-000-8574	6582	RFP
Manage and operate the Texas State Veterans Home – Temple	\$9,289,823.41	Care Inns of Texas – Care Inn Management, Inc.	14-338-000-8572	6576	RFP
Manage and operate the Texas State Veterans Home – Big Spring	\$8,342,355.93	Touchstone Veterans Management, Ltd.	14-340-000-8575	6578	RFP

L. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

Occupancy in Texas State Veterans Homes can be impacted by the economic health of Texas, and State and Federal regulations regarding financial assistance to Veterans. The homes must have an 92% occupancy rate to be self-sustaining. Delays in federal approvals, funding, construction or obtaining operators could impact targeted performance of the Texas State Veterans Homes. The opening of new homes will have an impact on the overall census. The new homes are expected to admit eight residents a month to be at 92% occupancy no later than 15 months after opening.

The number of service-connected Veterans being served by the state Veterans homes communities continues to increase. With this increase in revenue, the VLB will be better able to provide skilled nursing services and well positioned to increase the number of Veterans serviced.

M. Provide any additional information needed to gain a preliminary understanding of the program or function.

The Texas State Veteran Homes Program is a shining example of our commitment to our Texas Veterans. With eight Veterans Homes averaging an occupancy rate of 94%, the demand for more homes is evident. The VA, in coordination with the VLB, has been selected to receive a new Veteran Home with a projected opening date of early 2019. As the demand continues to grow in our underserved Veteran areas, the VLB will be even more vigilant in working with contracted partners to meet and exceed State and Federal regulations. We will utilize competition and develop written standards in negotiating new contracts to ensure that the VLB can provide the best possible care for our Veterans. The primary measure of effectiveness is the level of compliance in VA/DADS inspections and a minimum overall CMS Nursing Home rating of three stars. The primary measure of performance is 90% or better during the annual Family Resident Survey.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

See above.

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

The Texas State Veterans Home Program is licensed by the Texas Health and Human Services/Texas Department of Aging and Disability as required by the Centers for Medicare & Medicaid Services.

- **Why the regulation is needed;**

Federal and State Regulations require all Nursing Facilities to be licensed with the appropriate State Agency and regularly inspected by that Agency.

- **The scope of, and procedures for, inspections or audits of regulated entities;**

The Department of Health and Human Services/Texas Department of Aging and Disability Services conducts annual survey inspections which typically last three to five days. These surveys review Clinical compliance, Life Safety Code compliance, Trust Fund Audits, and Administrative/Operational compliance. The Departments also review Self-report and Complaint Investigations as needed.

- **Follow-up activities conducted when non-compliance is identified;**

If a Texas State Veterans Home is out of compliance with any of the regulations reviewed, the facility must develop and submit a Plan of Correction. Once the Plan of Correction is submitted, the Departments have the options to accept the Plan of Correction as evidence the correction is complete. Or the Departments may conduct a follow-up inspection depending on the scope and severity of the citation.

- **Sanctions available to the agency to ensure compliance; and**

The Texas Department Health and Human Services/Texas Department of Aging and Disability Services thru the Centers for Medicare and Medicaid Services have various enforcement tools including: Civil Monetary Penalties, Administrative Penalties, Optional Denial of Payment for New Admissions, Denial of Payment for New Admission, and revocation of facility license.

- **Procedures for handling consumer/public complaints against regulated entities.**

Each Texas State Veterans Home maintains a Comment/Complaint log. Depending on the nature of the Comment/Complaint, the issue may be handled internally by the facility staff. Or, the issue must be reported to the regulatory agencies within the time-period required and a follow-up investigation by the facility.

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency's practices.

Please include a brief description of the methodology supporting each measure.

The complaints are official complaints to Texas Department of Aging and Disability Services (TDADS) and the VA, which both entities must investigate. Any time a complaint is received by TDADS, they must send a surveyor to investigate. After the TDADS investigation, most complaints do not require any action, but if something is cited, the facility is required to submit a plan of correction.

Veterans Land Board

Texas State Veterans Homes

**Exhibit 14: Information on Complaints Against Regulated Persons or Entities
Fiscal Years 2015 and 2016**

	Fiscal Year 2015	Fiscal Year 2016
Total number of regulated persons	N/A	N/A
Total number of regulated entities	8	8
Total number of entities inspected	8	8
Total number of complaints received from the public TDADS/VA	43	49
Total number of complaints initiated by agency	N/A	N/A
Number of complaints pending from prior years	0	0
Number of complaints found to be non-jurisdictional	0	0
Number of jurisdictional complaints found to be without merit	32	38
Number of complaints resolved	13	11
Average number of days for complaint resolution	5	7
Complaints resulting in disciplinary action:	2	3
administrative penalty	0	0
reprimand	0	0
probation	0	0
suspension	0	0
revocation	0	0
other	0	0

Table 14 Exhibit 14 Information on Complaints Against Persons or Entities

A. Provide the following information at the beginning of each program description.

Name of Program or Function:	Texas State Veterans Cemeteries
Location/Division:	Austin/Veterans Land Board
Contact Name:	Eric Brown
Actual Expenditures, FY 2016:	\$4,026,460
Number of Actual FTEs as of June 1, 2017:	7 FTEs

<i>Statutory Citation for Program</i>	Natural Resources Code, Title 7. Resources Programs, Chapter 161. Veterans Land Board Subchapter A. General Provisions, Sec. 161.014
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B. What is the objective of this program or function? Describe the major activities performed under this program.

Through a partnership between the State of Texas and the U.S. Department of Veteran Affairs, the Texas state cemeteries are managed by the VLB and are located to complement the four national cemeteries in San Antonio, Houston, Dallas-Fort Worth, and El Paso. Located in Killeen, Abilene, Mission, and Corpus Christi, the four Texas State Veterans Cemeteries have the capacity to provide a final resting place to over 130,000 Veterans and their families. The program provides earned burial benefits to eligible Veterans, Spouses, and Dependents.

Below are the four Texas State Veterans Cemeteries and their locations:

Abilene

The Texas State Veterans Cemetery at Abilene includes a covered, open-air structure for committal services, a visitor's center, a computer kiosk for locating specific graves or interments, an assembly area for special occasions, such as Memorial Day observances, an avenue of flags and a memorial walkway for future monuments.

**7457 West Lake Road
Abilene, Texas 79601**

- **Opened June 1, 2009**
- **31 acres**
- **Phase 1: over 3,000 plots**
- **Up to 35,000 plots**

Corpus Christi

The Coastal Bend State Veterans Cemetery in Corpus Christi includes a covered, open-air structure for committal services, a visitor's center, a computer kiosk for locating specific graves, an assembly area for special occasions, such as Memorial Day observances, an avenue of flags and a memorial walkway for future monuments.

**9974 IH 37 Access Road
Corpus Christi, Texas 78410**

- **Opened December 14, 2011**
- **30 acres**

- **Phase 1: over 4,800 plots**
- **Up to 31,500 plots**

Killeen

The Central Texas State Veterans Cemetery in Killeen is located on 174 acres previously part of Fort Hood and donated by the federal government.

11463 SH 195

Killeen, Texas 76542

- **Opened January 4, 2006**
- **174 acres**
- **Phase 1: over 7,000 plots**
- **Up to 50,000 plots**

Mission

The Rio Grande Valley State Veterans Cemetery initial phase of development contains 31 acres, and 6,190 gravesites. The cemetery will be expanded as needed and will eventually be capable of providing a final resting place for more than 25,000 Veterans and family members.

2520 S. Inspiration Rd.

Mission, Texas 78572

- **Opened December 4, 2006**
- **75 total acres**
- **Phase I: 6,190 plots**
- **Up to 25,000 plots**

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and outcome performance measures that best convey the effectiveness and efficiency of this function or program. Also, please provide a short description of the methodology behind each statistic or performance measure.

The primary measure of effectiveness is the Veterans Cemetery Grants Compliance Review, which measures operational performance standards in accordance with the Veterans Administration's Grant Award agreement. Our primary measures of performance are results from the National Cemetery Administration's Survey of Satisfaction, which are distributed to the next-of-kin and funeral directors to measure customer satisfaction. Customer

satisfaction currently averages 97%. In addition, 90% of burial/interment space remains for eligible Veterans, their spouses, and dependents. Burial activity and utilization reports are provided by the contract operator and monitored periodically to ensure action is taken to develop additional space for burials and interments, through expansion funded by the U.S. Department of Veterans Affairs.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

In November 2015, the VLB voted to waive the fee charged to spouse and dependents for burial in the Texas State Veterans Cemeteries. The fee was eventually eliminated altogether through a formal process revising the Texas Administrative Code.

The addition of cemetery staff to support oversight of cemetery operations was approved. An Administrative Assistant was hired to support the Deputy Director and four On-Site Representative's (OSR) were hired and assigned to each of the cemeteries. A Chief On-Site Representative was designated from the four OSR's as the lead and serves in a leadership role to support the program administration and contract oversight functions. The OSR's also serve to support Veteran communities and boost outreach efforts to increase the public's awareness of earned burial benefits.

Unaccompanied Veteran burials were introduced to ensure Veterans with no known next of kin, had been estranged from their families, or whose next of kin were unavailable to handle the services were provide honorable and dignified services. The Veterans Land Board works with the local community and fellow Veterans support groups to ensure that unaccompanied Veterans are afforded dignified and honorable rights of passage.

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

VLB Texas State Veterans Cemeteries allows Veterans, their Spouse, and their Dependents those meeting eligibility criteria the ability to receive earned burial benefits. The hallowed grounds are a vital resource for the local communities where they reside and assist in mitigating financial burdens that often arise during this very solemn time of need. The Texas State Veterans Cemeteries provide volunteer opportunities for those wishing to provide valued time to ensure quality operations and maintain these hallowed grounds. Examples of volunteer work include cleaning of headstones, minor landscape maintenance, and support of cemetery administrative functions.

The following are the general eligibility requirements to be buried at a Texas State Veterans Cemetery.

- Veterans and members of armed forces;
- Certain Members of Reserve Components & Reserve Officer Training Corps;
- Commissioned Officers of the National Oceanic & Atmospheric Administration and Public Health Services;
- World War II Merchant Marines;
- Philippine Armed Forces;
- Spouses and Dependents (however, burial of dependent children is limited to unmarried children under 21 years old or 23 years old if a full-time student at an approved educational institution.)

Currently, the number of Veterans interred with in our hallowed grounds as compared to the total number of spouses and dependents is an estimated 65% Veterans to 35% Spouses and Dependents.

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

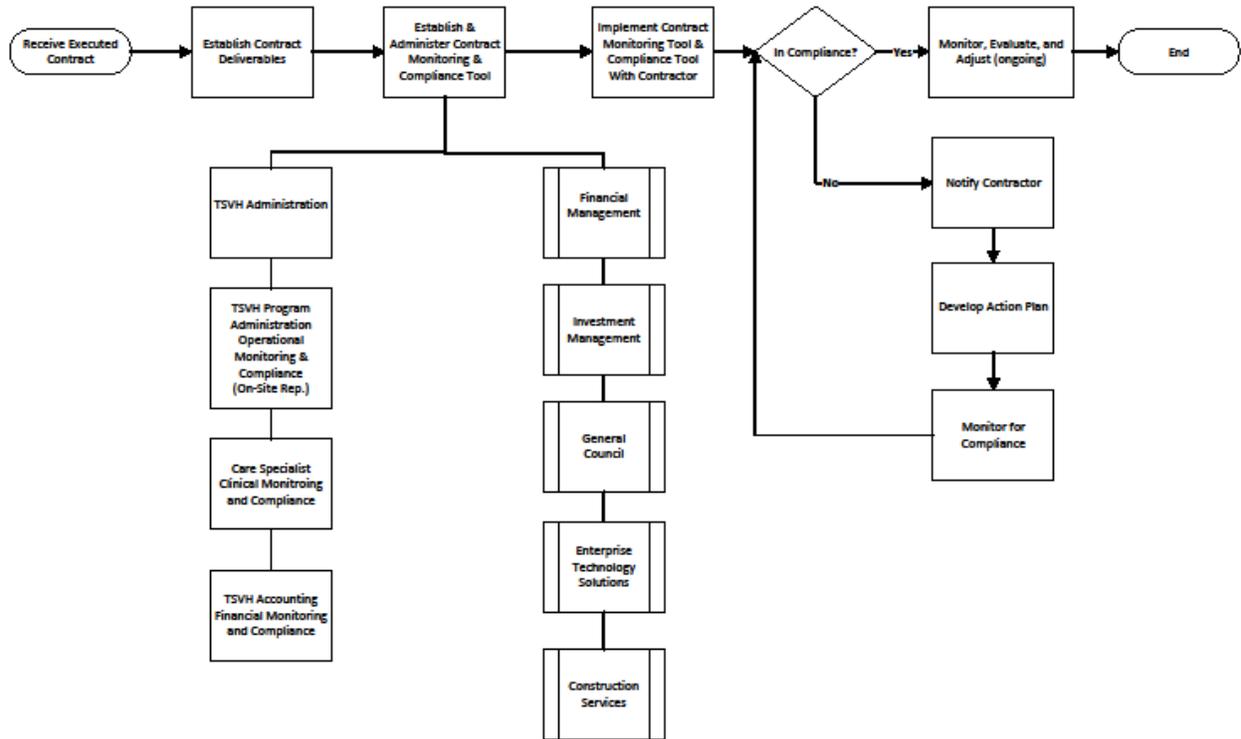
The Texas Veterans State Cemetery Deputy Director of the program oversees the operation of the four Texas State Veterans Cemeteries. The program currently operates a state Veterans cemetery in Abilene, Corpus Christi, Killeen and Mission. The Veterans Land Board is responsible for operation and maintenance of the four cemeteries. The cemeteries are maintained and operated by a contracted operator.

The cemeteries must be operated in accordance with Department of Veterans Affairs and National Cemetery Administration standards, and in accordance with the mutually agreed upon VA Grant award agreement between the VA and Veterans Land Board.

The department of Veterans also provides grant annual award opportunities through the formal grant application process. These grants help support the cemetery operations under four priority rankings: 1. Establishment of a new cemetery, 2. Expansion of an existing cemetery, 3. Improvement of an existing cemetery, and 4. Operations and maintenance needs at an existing cemetery.

The Texas State Veterans Cemeteries periodically consults with the Department of Veterans Affairs regional offices in Waco and Houston for eligibility determinations. The regional offices are also consulted when the need arises for reconciliation of plot allowance reimbursements.

Texas State Veterans Homes Contract Oversight and Monitoring



- G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).**

Funding for this program includes \$24,714 in Appropriated Receipts, \$56,228 in Federal Funds, \$3,562,595 in Texas Veterans Home Administration Fund No. 374, and \$382,923 in Veterans Land Program Administration Fund No. 522.

- H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.**

The VA operates national cemeteries, including four within the state of Texas that provide similar earned burial benefits. The Texas State Veterans Cemeteries complement the four national cemeteries in the state located in Houston, Dallas/Fort Worth, El Paso, and San Antonio. The only difference in services is the number of burial spaces available, with the nationals having significantly more acreage to support future burials.

- I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.**

The Texas State Veterans Cemeteries program often consults with the VA national cemeteries in Texas to ensure optimal compliance with National Cemetery Administration standards when questions arise regarding operations and burial procedural matters. The Texas State Veterans Cemetery program also works closely with our national cemetery counterparts to ensure eligible Veterans, Spouses, and Dependents receive accurate information to make informed decisions about burial locations, burial types, and which facilities would geographically best serve their earned burial benefit interests.

- J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.**

Built through a partnership between the State of Texas and the U.S. Department of Veterans Affairs, the Texas State Veterans Cemeteries are managed by the VLB and are located to complement the four national cemeteries in San Antonio, Houston, Dallas-Fort Worth, and El Paso. Located in Killeen, Abilene, Mission, and Corpus Christi, the four Texas State Veterans Cemeteries have the capacity to provide a final resting place to over 141,000 Veterans and families.

K. If contracted expenditures are made through this program please provide:

▪ **A short summary of the general purpose of those contracts overall;**

The VLB-Cemeteries Program Area contracts with Premier Cemetery Services to provide honorable and dignified earned burial benefits for eligible Veterans, their spouses, and dependents. The contractual obligations include maintaining the cemeteries as national shrines by providing year-round operations and maintenance services. The four Texas State Veterans cemeteries are strategically located throughout the state in the cities of Killeen, Abilene, Corpus Christi, and Mission and complement the four national cemeteries located in Houston, Dallas/Fort Worth, San Antonio, and El Paso.

The Central Texas State Veterans cemetery in Killeen Texas is 147 total acres with an interment capacity of 50,000 remains.

The Texas State Veterans cemetery in Abilene is 31 total acres with an interment capacity of 35,000 remains.

The Coastal Bend State Veterans cemetery in Corpus Christi is 30 total acres with an interment capacity of 31,500 remains.

The Rio Grande Valley State Veterans cemetery in Mission is 75 total acres with an interment capacity of 25,000 remains.

The performance measures consist of an agreement between the VLB and Veterans Administration which allows for the performance of compliance assessments by VA in accordance with standards set by the National Cemetery Administration. These assessments consist of site visits every 3-years to determine compliance with standards of appearance, burial operations, and maintenance activities. The assessment scores are weighted with an emphasis on customer service, headstone placement and alignment, and standards of overall appearance. The VLB also uses a checklist-based quarterly inspection format with a possible score of 0-100, with any score below 90 resulting in a non-compliance score. Premier is penalized monetarily if there are two scores below 90 within a one-year period.

- **The amount of those expenditures in fiscal year 2016;**
Total amount of expenditures in fiscal year 2016, is \$2,871,325.81.
- **The number of contracts accounting for those expenditures;**
There are a total of five contracts accounting for these expenditures.
- **The method used to procure contracts;**
Method used to procure the contracts is the Request for Proposal (RFP) process.
- **Top five contracts by dollar amount, including contractor and purpose;**
See chart below for five top contracts by dollar amount.
- **The methods used to ensure accountability for funding and performance; and**
See column five in the chart below regarding Purchase Order number (accountability and funding.)
- **A short description of any current contracting problems.**
 1. The Contract Management Team is in the process of implementing a new Contract Management database.
 2. In 2015/2016, the General Land Office went through a major agency re-organization. Thus, there may be instances where Programs Areas were re-named and Contract Management attempted to reclassify the contract to its appropriate Program Area. In the current Contract Management System, this reclassification is a manual process and some reclassifications may have been missed.

Strategy: 3.1.3

Purpose	Total Expenditures FY2016	Vendor	Contract Number	Purchase Order Number	Method Used to Procure Contract
Management and operations of the Texas State Veteran’s Cemetery - Killeen	\$1,302,160.47	Premier Cemetery Service Corporation	05-259-000-0642	6731	Request for Proposal (RFP)
Management and operations of the Texas State Veterans	\$559,308.48	Premier Cemetery	11-289-000-4922	6732	RFP

Cemetery – Corpus Christi		Service Corporation			
Management and operations of the Texas State Veterans Cemetery – Abilene	\$498,046.59	Premier Cemetery Service Corporation	09-114-000-3532	6730	RFP
Management and operations of the Texas State Veterans Cemetery – Mission	\$481,891.79	Premier Cemetery Service Corporation	07-002-000-0933	6729	RFP
Architecture and engineering services	\$29,918.48	Pape-Dawson Consulting Engineers, Inc.	15-366-000	7287	RFP

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program’s performance, including any outdated or ineffective state laws? Explain.

Texas State Veterans Cemeteries are entirely operated through contracts with private firms. Revenue from charges for a plot allowance only partially offset the cost of these contracts. The impact of the net cost of these contracts on loan program interest rates is a consideration in determining how many state Veterans cemeteries may be developed. Land for construction of the cemeteries must be donated by communities, businesses, or individuals. In addition, the proposed land must be suitable for development of a cemetery in areas that will serve the maximum number of Veterans. Delays in obtaining suitable donated land, federal grant approval, construction, or obtaining operators could impact targeted performance of the Texas State Veterans Cemeteries.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

Texas’s commitment to our Veterans by honoring those who have served with a dignified burial in a sanctuary appropriate for their service to our nation. This is our newest program, but one that will significantly highlight our eternal commitment to our Veterans and their families. With the renewed efforts to educate our Veterans and their families

on our program, the TVLBC Division will be prepared for the increased demand to utilize these earned burial benefits. Our primary measure of effectiveness is the Veterans Cemetery Grants Compliance Review, which measures operational performance standards in accordance with the Veterans Administration's Grant Award agreement. Our primary measures of performance are results from the National Cemetery Administration's Survey of Satisfaction, which are distributed to the next-of-kin and funeral directors to measure customer satisfaction.

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **sanctions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency's practices.

Please include a brief description of the methodology supporting each measure.

- **Total number of complaints received from the public:**
All complaints received, are both jurisdictional and non- jurisdictional.
- **Number of complaints found to be non-jurisdictional:**
Complaints outside of the cemetery divisions control or jurisdiction. A good example is the Military Honor Guard making an error during a funeral service, such as folding the flag incorrectly. The Military Honor Guards are under the jurisdiction of the Department of Defense, military service branch represented, or local volunteers. The cemetery division has no jurisdiction over these groups, so the complaint can be addressed by reaching out to the responsible parties, but is not a complaint within our control to facilitate a guaranteed resolution.
- **Number of jurisdictional complaints found to be without merit:**
A good example would be a family member complaining that flowers placed on a gravesite were removed, but the family member failed to follow the floral pick-up guidelines, which are posted and indicate when flowers will be picked up to facilitate landscape maintenance or for other operational purposes.
- **Number of complaints resolved:**
All complaints resolved, which are primarily those within the cemetery divisions jurisdiction. Some complaints may not be resolved completely as some family members or next-of-kin may not agree with the guidelines or policies, regardless

of attempts to explain or educate on the policy or guideline intent, rationale, or "root" authority (such as VA guidelines).

- **Average number of days for complaint resolution:**
This is the average number of days for resolving all complaints, primarily those under the cemetery divisions jurisdiction.

**Veterans Land Board
Texas State Veterans Cemeteries
Exhibit 15: Information on Complaints Against Regulated Persons or Entities
Fiscal Years 2015 and 2016**

	Fiscal Year 2015	Fiscal Year 2016
Total number of regulated persons	0	0
Total number of regulated entities	4	4
Total number of entities inspected	12	12
Total number of complaints received from the public	119	127
Total number of complaints initiated by agency	0	0
Number of complaints pending from prior years	0	0
Number of complaints found to be non-jurisdictional	25	26
Number of jurisdictional complaints found to be without merit	72	78
Number of complaints resolved	86	101
Average number of days for complaint resolution	1	1
Complaints resulting in disciplinary action:	0	0
administrative penalty	0	0
reprimand	0	0
probation	0	0
suspension	0	0
revocation	0	0
other	0	0

Table 15 Exhibit 15 Information on Complaints Against Persons or Entities

A. Provide the following information at the beginning of each program description.

Name of Program or Function:	Marketing & Outreach Communication and Business Development
Location/Division:	Austin/Veterans Land Board
Contact Name:	Jim Mickler
Actual Expenditures, FY 2016:	\$1,877,575
Number of Actual FTEs as of June 1, 2017:	16 FTEs
Statutory Citation for Program:	Natural Resources Code, Title 7. Resources Programs, Chapter 161. Veterans Land Board Subchapter A. General Provisions, Sec. 161.014

B. What is the objective of this program or function? Describe the major activities performed under this program.

The objectives of this program are as follows:

- Educate Veterans on not only the Veteran Land Board programs but on all Veteran programs provided by the State of Texas.
- Increase awareness of the VLB Loan, Texas State Veterans Home, and Texas State Veterans Cemetery Programs.
- In addition, the primary focus is to increase loan demand by increasing VLB brand awareness.

Major activities under this program is as follows:

Marketing and Outreach: The VLB Marketing and Outreach staff is available outside the Austin headquarters to provide information about VLB programs to Veterans around the state. They provide information, present seminars, and interact with other Veterans service organizations to increase awareness of the benefits available to Texas Veterans, military members and their families. Marketing Outreach staff is continually visiting Texas communities to build relationships and inform Veterans of VLB programs. The VLB is a self-supporting entity. To remain self-supporting, it needs to continually generate interest in loans, nursing home care and interment services.

Website Brochures: Develops a hard-copy brochure that provides, in a centralized, comprehensive, and simplified format, information about all available Veterans benefits and services, including benefits and services offered by the Board and the commission. Integrating web services, the board shall develop a single entry point to allow public access to information related to all available Veterans benefits and services.

Communication Center: The toll-free Veterans Hotline was established to provide information on VLB programs and as a valuable resource for Texas Veterans. Communications Center staff also provides Veterans with other concerns or issues to other Veterans service providers throughout the state and most importantly acts as a suicide hotline for those in need of suicide prevention. Staff contacts these entities directly and provides a warm hand-off to the appropriate staff member of these entities without having the veteran getting misdirecting. In addition, a Memorandum of Understanding (MOU) was signed between the VLB and the Texas Veterans Commission to share information and other non-financial resources that may provide valuable information to Texas Veterans.

Veterans Benefit Fairs: Held throughout the year and at locations throughout the state, the VLB connects Veterans, military members and their spouses to valuable federal, state and county benefits through a partnership with the U.S. Department of Veterans Affairs and the Texas Veterans Commission.

VLB Mobile Benefits Office: In May 2017, the VLB debuted its new Mobile Benefits Center at the Veterans Benefits Fair in San Antonio. This new state-of-the-art RV will travel across Texas helping the VLB staff spread the word to Texas Veterans about their earned benefits and services. The mobile office will not only be a billboard on wheels, but also a fully functional VLB office equipped with Wi-Fi to enable VLB staff to have real time communications with the home office to better serve Texas Veterans.

The new Mobile Benefits Center will help us amplify our statewide outreach efforts. We hope to spread the word so that each Veteran in Texas is aware of, and knows how to get help accessing, the federal and state benefits and services they've earned.

Among the services the Mobile Benefits Center will provide are information and assistance applying for low interest land, home and home improvement loans. Since the unit is Wi-Fi enabled, staff can meet with Veterans one-on-one, and help them fill out the necessary

paperwork to apply for a loan on the spot. Staff can also provide Veterans and loved ones with information about Texas State Veterans Homes and Cemeteries. The Mobile Benefits Center is ADA compliant and fully wheelchair accessible to comfortably accommodate all Veterans, military members, and their families.

The Mobile Benefits Center will not only travel to all annually scheduled VLB Veterans Benefits Fairs but will also attend special events like the Armed Forces Bowl and other events across Texas. In the event of a natural or man-made disaster, the VLB can load up quickly and be onsite to help Veterans seeking emergency services. The VLB also seeks to attend other non-VLB sponsored Veteran events throughout Texas.

The Dog Tag: A podcast for Veterans, by Veterans. The purpose of this podcast is to enlighten and empower our Veterans and military members with knowledge and information about all the different programs, benefits, services and resources offered throughout the state and beyond.

Each episode of the Dog Tag will introduce subject matter experts who can help cut through the bureaucracy, dispel any myths and provide a clear path to these benefits and programs. In addition to each podcast interview, VLB provides podcast notes and links to help veterans navigate the procedures, policies and regulations so they can access every program and service they are eligible for.

The VLB hopes that by providing information via this new format, we can increase awareness of the many resources available to Veterans, military members, and their loved ones, thereby improving their lives. One of the best things about these podcasts is that our veterans will have a say in what they would like the VLB to cover. We have many topics to address, including disability claims, education benefits, home and land loans, but we also want to make sure we're answering all their questions.

There are nearly two million Veterans and military members in Texas and, as always, we're working hard to reach every single one.

VLB Events for Real Estate Professionals:

Real Estate Professionals who take the VLB's one-hour continuing education class may use the VLB logo (provided upon written request) and marketing designation ("VLB Participating Real Estate Professional"). Qualified real estate professionals who complete the class may also be listed in the VLB's searchable database of brokers and agents. Completion of the class earns one hour of TREC elective continuing education for eligible brokers and agents.

The "Voices of Veterans" oral history program:

This program seeks to record the stories of Texas Veterans and archive the transcripts in the Office of Veterans Records for future researchers, historians, genealogists and the public.

Every Veteran has a story to tell, and this program will ensure these stories of courage and service can inspire Texans for generations to come.

Voices of Veterans represents the first time a state agency has ventured into the field of Veterans oral histories.

The Veterans Land Board is a natural host for the program, managing eight existing Texas State Veterans Homes. The homes currently provide long-term care for about 1,100 senior Veterans, many of whom are eager to tell their story.

Veteran interviews are permanently archived in the Office of Veterans Records at the Texas General Land Office, where they join the historic documents of other Texas heroes such as Sam Houston, David Crockett, Jim Bowie and William Barret Travis.

The archives are made available to researchers, historians, genealogists and the public to inspire future generations and remind us of our Veterans sacrifices.

- C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and outcome performance measures that best convey the effectiveness and efficiency of this function or program. Also, please provide a short description of the methodology behind each statistic or performance measure.**

The primary measure of effectiveness is the growth in the overall brand awareness of VLB. The primary measure of performance is the increase in demand for the VLB Land Loan, State Veterans Home and State Veterans Cemetery Programs.

Being that major portions of this program area's functions are relatively new, this program does not currently have any key statistics or outcome performance measures. The VLB will be formulating internal performance measures to track the program's effectiveness in increasing brand awareness and participation moving forward.

- D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.**

Veterans Land Board (VLB) Inventory Inspection - A new initiative to conduct inspections of Type II Forfeited land tracts for the VLB was started this year. Tracts are inspected for overall condition, signs of illegal activities and encroachments, and posted signage for "no trespassing" and sale information. Report information is used by the VLB to enhance marketing and monitor changes in areas where tracts are located.

"Voices of Veterans" — An oral history program seeks to record the stories of Texas Veterans and archive the transcripts in the Office of Veterans Records for future researchers, historians, genealogists and the public. Every veteran has a story to tell, and

this program will ensure these stories of courage and service can inspire Texans for generations to come.

Texas Veterans Blog — Is one way we provide more in-depth information on subjects that are important to our Veterans. In addition, we reach out to Texas Veterans every day using social media platforms such as Facebook, Twitter, Instagram and YouTube.

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

N/A

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The Marketing Team provides information through an external vendor that helps promote the Land, Home and Home improvement programs as well as promotions and upcoming events through boosted e-mail campaigns, TV and Radio spots in major markets and Billboard advertising in selected markets.

The Outreach Team contacts the Veterans on an individual or group basis by traveling to and attending Veteran events such as Benefits Fairs, briefings, selected Veteran group meetings and realtor and lender training about our program.

The Communications Team that makes up the call center are there to connect callers with VLB, TVC, VA and other veteran services organizations that can give the individual Veteran the answer to the question they need concerning any Federal, State or Local benefits that they qualify for.

The three teams are tasked with four objectives:

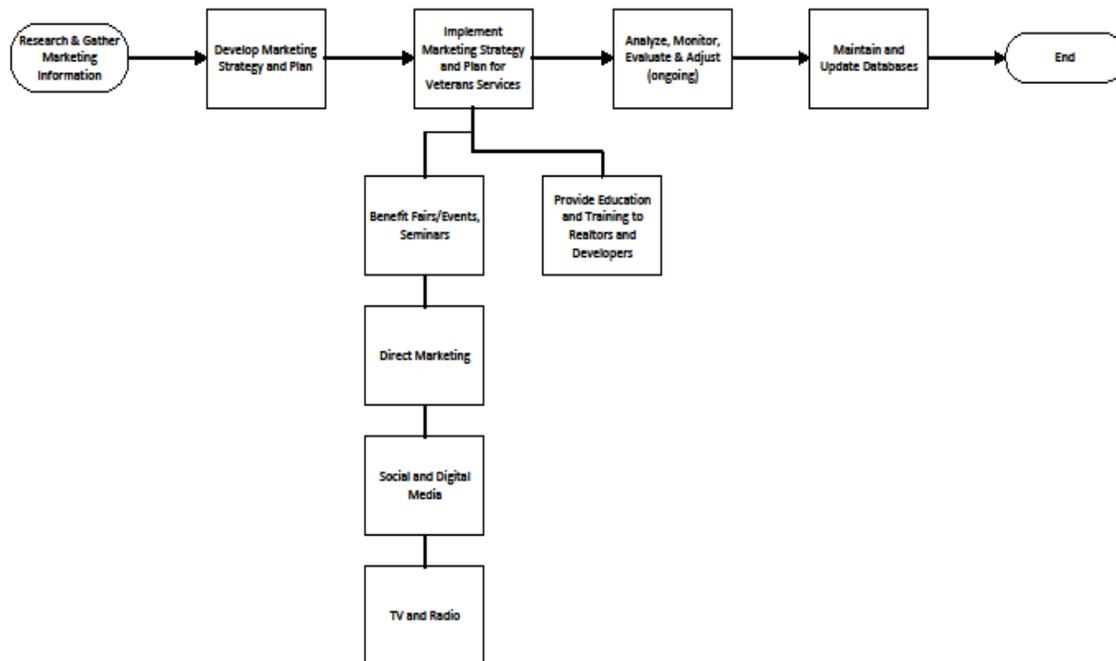
1. Help the Veteran find out what benefits he or she qualifies for;
2. Give them the tools or contacts needed to apply for those benefits;
3. Put them in the hands of those entities that will help them through this process;
4. Follow up with the Veterans to find out how the customer journey can be enhanced through the assistance that is offered.

Marketing and Outreach and Communication Team reaches out to Veterans, along with industries involved in VLB programs, such as home building, real estate, lending/mortgage, hospitals and health care facilities. The division oversees the Communications Center, which answers the VLB's toll-free hotline and responds directly

to Veterans and interested parties who call, write or send email. Recent activities of the division include:

- Fully implemented an outbound call process for direct outreach to Veterans, military members, and their families;
- Established an intergovernmental partnership with the U.S. Department of Veterans Affairs, the Texas Veterans Commission and the Adjutant General Department to host regional veteran benefit fairs at VA health care facilities; the events accrued no facility or direct mail costs, resulting in annual savings of more than \$50,000;
- Expanded outreach and enhanced relationships with participating industry partners to include realtors, lenders, contractors, developers, County Veterans Service Officers, advertisers, and media;
- Conducted an assessment of the impact of the 2009 brand campaign to be used in development of future branding and marketing strategies.

Marketing Outreach



G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

Funding sources for this program includes \$4 in Appropriated Receipts, \$70,368 in Interagency Contracts, and \$1,807,203 in Veterans Land Program Administration Fund No. 522.

H. Identify any programs, internal or external to your agency, that provides identical or similar services or functions to the target population. Describe the similarities and differences.

N/A

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The Texas Veterans Hotline (1-800-252-VETS) is also managed by the VLB in partnership with the Texas Veterans Commission. Through the Texas Veterans Hotline, direct marketing outreach and the VLB's digital marketing efforts, the VLB connects Texas Veterans with the entitlements and resources available to them.

The VLB Marketing, Outreach and Communications teams provides information about Texas benefits available to Veterans, military member and their families and works with all organizations if the customer is requesting a service that the VLB doesn't provide. In addition, the VLB maintains an MOU with the Texas Veterans Commission to share non-financial resources.

J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

An increased demand for communication with customers across multiple platforms has presented both a challenge and an opportunity for the Veterans Land Board; today, the VLB answers inquiries via email, its blog, social media, text message, in person, and by phone. Managing these platforms and cutting edge tools requires a properly trained staff that can appropriately and satisfactorily respond to the needs of agency stakeholders, via the multiple avenues in which they approach the agency for assistance. The VLB Marketing, Outreach and Communications teams work with all potential veteran-related entities.

K. If contracted expenditures are made through these programs please provide:

A short summary of the general purpose of those contracts overall;

The VLB Marketing Outreach Program Area contracts with Sherry Matthews to provide advertising services to promote VLB programs and benefits. These advertising services include planning, supporting, negotiating, purchasing, tracking, and promoting the Texas Veterans Land Board's programs. Such services also include any research necessary to make efficient use of media campaigns for the best benefit to the State of Texas.

The VLB contracts for these services because our resources do not include the purchasing power, e-mail list, media contacts and digital resources needed to provide a campaign of the magnitude required to meet the goals of all VLB Program Areas and brand recognition of VLB to over fifty percent of the current veteran population. Contracting for these services enables the VLB to increase the number of land loans, meet the demand for VLB Housing loans; meet the demand for Texas State Veterans Homes and Cemeteries as well as increase unaided awareness of military and veterans.

The amount of those expenditures in fiscal year 2016;

The amount of expenditures in fiscal year 2016, is \$940,786.21.

The number of contracts accounting for those expenditures;

There is one contract accounting for these expenditures.

The method used to procure contracts

Method used to procure this contract is the Request for Proposal (RFP) process.

Top five contracts by dollar amount, including contractor and purpose;

See chart on next page for top five contracts by dollar amount.

The methods used to ensure accountability for funding and performance; and

See column five in chart below regarding Purchase Order number (accountability of funding.)

A short description of any current contracting problems.

1. The Contract Management Team is in the process of implementing a new Contract Management database.
2. In 2015/2016, the General Land Office went through a major agency re-organization. Thus, there may be instances where Programs Areas were renamed and Contract Management attempted to reclassify the contract to its appropriate program area.

Strategy: 3.1.1

Purpose	Total Expenditures FY2016	Vendor	Contract Number	Purchase Order Number	Method Used to Procure Contract
Media placement services for the promotion of VLB programs	\$940,786.21	Sherry Matthews, Inc.	16-354-000-9938	6330	Request for Proposal (RFP)

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program’s performance, including any outdated or ineffective state laws? Explain.

The rising cost of paid media and increased competition for earned media could negatively impact the Veterans Land Board’s ability to broadly reach Veterans; increased costs would negatively affect the VLB’s current marketing strategy by creating the need for a reduced media schedule.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

Marketing and Outreach: The VLB brand is excellent to Veterans who know about our services, however, a majority of Texas Veterans don’t know about the VLB and the programs it provides. The focus for this division will be educating our Veterans on not only our programs but on all Veteran programs provided by the State of Texas.

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- why the regulation is needed;
- the scope of, and procedures for, inspections or audits of regulated entities;
- follow-up activities conducted when non-compliance is identified;
- sanctions available to the agency to ensure compliance; and
- procedures for handling consumer/public complaints against regulated entities.

N/A

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency’s practices. Please include a brief description of the methodology supporting each measure.

**Veterans Land Board
Marketing & Outreach/Communications Business Development
Exhibit 12: Information on Complaints Against Regulated Persons or Entities Persons or Entities
Fiscal Years 2015 and 2016**

	Fiscal Year 2015	Fiscal Year 2016
Total number of regulated persons	N/A	N/A
Total number of regulated entities	N/A	N/A
Total number of entities inspected	N/A	N/A
Total number of complaints received from the public	N/A	N/A
Total number of complaints initiated by agency	N/A	N/A
Number of complaints pending from prior years	N/A	N/A
Number of complaints found to be non-jurisdictional	N/A	N/A
Number of jurisdictional complaints found to be without merit	N/A	N/A
Number of complaints resolved	N/A	N/A
Average number of days for complaint resolution	N/A	N/A
Complaints resulting in disciplinary action:	N/A	N/A
administrative penalty	N/A	N/A
reprimand	N/A	N/A
probation	N/A	N/A
suspension	N/A	N/A
revocation	N/A	N/A
other	N/A	N/A

Table 12 Exhibit 12 Information on Complaints Against Persons or Entities

VIII. Statutory Authority and Recent Legislation

A. Fill in the following charts, listing citations for all state and federal statutes that grant authority to or otherwise significantly impact your agency. Do not include general state statutes that apply to all agencies, such as the Public Information Act, the Open Meetings Act, or the Administrative Procedure Act. Provide information on Attorney General opinions from FY 2011–2015, or earlier significant Attorney General opinions, that affect your agency’s operations.

Veterans Land Board Exhibit 16: Statutes/Attorney General Opinions

Statutes

Citation / Title	Authority / Impact on Agency <i>(e.g., “provides authority to license and regulate nursing home administrators”)</i>
Article III, Section 49b, Texas Constitution	Establishes the Veterans Land Board; Establishes the Commissioner of the GLO as the Chairman of the Board; Authorizes the sale of bonds; and Establishes the Veterans Land Fund, the Veterans Housing Assistance Fund, and the Veterans Housing Assistance Fund II.
Ch. 161 TEX. NAT. RES. CODE	Administrative provisions for the VLB; States powers and duties of the Board and the Commissioner; Governs General Obligation Bonds; Governs the Veterans Land Fund; Governs the purchase, sale, and other disposition of land; Governs forfeiture of land; States insurance requirements; Provides penalties; and Governs land loans.
Ch. 162 TEX. NAT. RES. CODE	General provisions for the Veterans Housing Assistance program. Governs the sale of bonds for the Veterans Housing Assistance program.
Ch. 164 TEX. NAT. RES. CODE	Establishes the Veterans Financial Assistance program; Governs the operation of Texas State Veterans Homes and Cemeteries; Authorizes and governs the issuance of bonds.
TEX. GOV’T. CODE 434.153	Designates the Chairman of the VLB or the Chairman’s representative as a member of the Texas Coordinating Counsel for Veterans Services.
Tex. Gov’t. Code 434.0071	Requires the VLB to enter into a Memorandum of Understanding (“MOU”) with the Texas Veterans Commission to coordinate the provision of services to state military veterans.
TEX. GOV’T. CODE 531.0998	Requires the Veterans Land Board to enter into an MOU with the Texas Veterans Commission for the purpose of data sharing and analysis.
TEX. GOV’T. CODE 1233.151	Allows a bond issued by the Veterans Land Board to be designated as a college savings bond.
TEX. GOV’T. CODE 2155.149	Delegates purchasing authority to the Veterans Land Board with regard to the Texas State Veterans Homes and Cemeteries.

TEX. GOV'T. CODE 2165.006	Prescribes the dates on which the "Honor and Remember flag" may be displayed at Texas State Veterans Cemeteries.
TEX. GOV'T. CODE 2166.003(a)(10)	Exempts a project constructed by the Veterans Land Board from the requirements of Chapter 2166 of the Texas Government Code (Building Construction and Acquisition and Disposition of Real Property).
TEX. GOV'T. CODE 2256.004(a)(4)	Exempts funds invested by the Veterans Land Board from the requirements of Chapter 2256 of the Texas Government Code (Public Funds Investment)
Ch. 242 Tex. Health and Safety Code	HHSC regulatory authority for the Texas State Veterans Homes. 242.061(e)(1) allows the DADS commissioner to stay the revocation of a license held by the Texas Veterans Land Board if the Veterans Land Board contracts with a new vendor for the operation of a Texas State Veterans Home. 242.095 makes the Veterans Land Board responsible for trustee's fees should HHSC appoint a trustee to take over a Texas State Veterans Home.
TEX. HEALTH & SAFETY CODE 711.004(e)(4)	Exempts the Texas State Veterans Cemeteries from the requirements of TEX. HEALTH & SAFETY CODE 711.004 (removal of remains).
TEX. INS. CODE 1131.058	Authorizes the VLB to hold a life insurance policy issued to persons purchasing land.
TEX. LOC. GOV'T CODE 232.0015(g)	Exempts the Veterans Land Board from the requirements of 232.001 (Plat Required).
TEX. NAT. RES. CODE 11.086	Exempts from disclosure, under the Public Information Act, information related to the purchase, sale, or development of real property by the Veterans Land Board.
TEX. OCC. CODE 1103.052	Establishes the Executive Secretary (or designee) as a member of the Texas Appraiser Licensing and Certification Board.
TEX. PROP. CODE 5.062(b)(1)(A)	Exempts a sale of land by the Veterans Land Board from the requirements of Subchapter B, Chapter 5, Texas Property Code (Executory Contract for Conveyance).
TEX. PROP. CODE 5.202(b)(10)	States that a fee payable to or imposed by the Veterans Land Board is not considered a "private transfer fee obligation."
38 U.S.C. 101 et seq.	Veterans Benefits, including State Veterans Homes. Includes regulations found at 38 C.F.R. Part 51.

Table 16 Exhibit 16 Statutes

Attorney General Opinions

NO RELEVANT ATTORNEY GENERAL OPINIONS BETWEEN 2011 and 2015

Attorney General Opinion No.	Impact on Agency
(Text)	(Text)

Table 17 Exhibit 16 Attorney General Opinions

B. Provide a summary of recent legislation regarding your agency by filling in the charts below or attaching information already available in an agency-developed format. Briefly summarize the key provisions. For bills that did not pass, briefly explain the key provisions and issues that resulted in failure of the bill to pass (e.g., opposition to a new fee, or high cost of implementation). Place an asterisk next to bills that could have a major impact on the agency.

**Veterans Land Board
Exhibit 17: 85th Legislative Session**

Legislation Enacted - NONE

Bill Number	Author	Summary of Key Provisions
(Number)	(Text)	(Text)

Table 18 Exhibit 17 Legislation Enacted 85th Leg

Legislation Not Passed

Bill Number	Author	Summary of Key Provisions /Reason Bill Did Not Pass
<i>HB 206</i>	<i>Flynn</i>	H.B. 206 would have amended state law to include a person who has at least 15 years of active or reserve state military service as a member of the Texas State Guard and who meets certain Texas residency requirements among the persons defined as a "veteran" for purposes of provisions relating to the Veterans Land Board. Some members objected to amending the definition of "veteran" in statute. The bill failed to pass to engrossment (14 ayes, 112 nays, 5 present not voting).

Table 19 Exhibit 17 Legislation Not Passed 85th Leg

IX. Major Issues

The purpose of this section is to briefly describe any potential issues raised by your agency, the Legislature, or stakeholders that Sunset could help address through changes in statute to improve your agency’s operations and service delivery. Inclusion of an issue does not indicate support, or opposition, for the issue by the agency’s board or staff. Instead, this section is intended to give the Sunset Commission a basic understanding of the issues so staff can collect more information during our detailed research on your agency. Some questions to ask in preparing this section may include: (1) How can your agency do a better job in meeting the needs of customers or in achieving agency goals? (2) What barriers exist that limit your agency’s ability to get the job done?

Emphasis should be given to issues appropriate for resolution through changes in state law. Issues related to funding or actions by other governmental entities (federal, local, quasi-governmental, etc.) may be included, but the Sunset Commission has no authority in the appropriations process or with other units of government. If these types of issues are included,

the focus should be on solutions which can be enacted in state law. This section contains the following three components.

A. Brief Description of Issue

None at this time.

B. Discussion

Background. Include enough information to give context for the issue. Information helpful in building context includes:

What specific problems or concerns are involved in this issue?

Who does this issue affect?

What is the agency’s role related to the issue?

Any previous legislative action related to the issue?

C. Possible Solutions and Impact

Provide potential recommendations to solve the problem. Feel free to add a more detailed discussion of each proposed solution, including:

How will the proposed solution fix the problem or issue?

How will the proposed change impact any entities or interest groups?

How will your agency’s performance be impacted by the proposed change?

What are the benefits of the recommended change?

What are the possible drawbacks of the recommended change?

What is the fiscal impact of the proposed change?

Complete this section for **each** issue. Copy and paste components A through C as many times as needed to discuss each issue.

X. Other Contacts

A. Fill in the following charts with updated information on people with an interest in your agency, and be sure to include the most recent email address.

**Veterans Land Board
Exhibit 18: Contacts**

Interest Groups

(groups affected by agency actions or that represent others served by or affected by agency actions)

Group or Association Name/ Contact Person	Address	Telephone	Email Address
American G.I. Forum Carlos Martinez	611 N. Flores #200 San Antonio, TX 78205	210.223.4088	cmartinez@agif-nvop.org

Texas Coalition of Veterans Organizations Jim Brennan	1301 S IH 35, #302 Austin 78741	512.247.3206	jbrennan@aasusupply.com
TEX VET Perry Jeffries	3950 N. A.W. Grimes Round Rock 78665	512.341.4923	manager@texvet.org

Table 20 Exhibit 18 Interest Groups

Interagency, State, or National Associations

(that serve as an information clearinghouse or regularly interact with your agency)

Group or Association Name/ Contact Person	Address	Telephone	Email Address
Texas Association of Realtors Travis Kessler	1115 San Jacinto Blvd #200 Austin, TX 78701	512.480.8200	tkessler@texasrealtors.com
National Guard Association Texas Rob Casias	3706 Crawford Austin, TX 78731	512.454.7300	
Disabled American Veterans, Department of Texas Teresa Johniken	1015 Lee Ave. Lufkin, TX 75901	936.637.3281	davtx.adj@consolidated.net
Veterans of Foreign Wars, Department of Texas Roy West	8503 North IH-35 Austin, TX 78753	512.834.8535	roy@texasvfw.org
Department of Veterans Affairs – VISN 17 Jeff Milligan	2301 E. Lamar Blvd., #650 Arlington, TX 76006	817.652.1111	Jeffrey.milligan@va.gov

Table 21 Exhibit 18 Interagency, State, and National Association

Liaisons at Other State Agencies

(with which your agency maintains an ongoing relationship, e.g., the agency’s assigned analyst at the Legislative Budget Board, or attorney at the Attorney General’s office)

Agency Name/Relationship /Contact Person	Address	Telephone	Email Address
Texas Veterans Commission Thomas P. Palladino, Executive Director	P.O. Box 12277 Austin, TX 78711	512.463.6564	Thomas.Palladino@tvc.texas.gov
Legislative Budget Board Pamela Bolton, Analyst	P.O. Box 12666, Austin, TX 78711	512.463.1200	Pamela.Bolton@LBB.state.tx.us

Office of the Governor Craig Bean, Policy Advisor	P.O. Box 12428 Austin, TX 78711	512.463.8737	Craig.Bean@gov.texas.gov
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Table 22 Exhibit 18 Liaisons at Other State Agencies

XI. Additional Information

- A. Texas Government Code, Sec. 325.0075 requires agencies under review to submit a report about their reporting requirements to Sunset with the same due date as the SER. Include a list of each agency-specific report that the agency is required by statute to prepare and an evaluation of the need for each report based on whether factors or conditions have changed since the statutory requirement was put in place. Please do not include general reporting requirements applicable to all agencies, reports that have an expiration date, routine notifications or notices, posting requirements, federally mandated reports, or reports required by G.A.A. rider. If the list is longer than one page, please include it as an attachment.**

Veterans Land Board
Exhibit 19: Evaluation of Agency Reporting Requirements

Report Title	Legal Authority	Due Date and Frequency	Recipient	Description	Is the Report Still Needed? Why?
VLB Affirmative Action Plan	TxNRC §161.031	Updated annually, but reported biennially	Governor’s Office	A written plan to assure implementation of a program of equal employment opportunity whereby all personnel transactions are made without regard to race, color, handicap, sex, religion, age, or national origin.	Yes. To ensure compliance with EEO policies.
Performance of Loans Report	TxNRC §162.003(e)	Annually	Bond Review Board	With respect to loans made under the Veterans Housing Assistance Program, the Veterans Land Board shall file annually with the Bond Review Board a report on the performance of the loans.	N/A. The Bond Review Board has not adopted rules for submission contained in statute.
Report to Bond Review Board	TxNRC §161.2111	Annually	Bond Review Board	With respect to purchases made under chapter 161 for the Tx Natural Resource Code, the Veterans Land Board shall file annually with the Bond Review Board a report on the performance of loans made by the Veterans Land Board in connection with the purchases.	N/A. The Bond Review Board has not adopted rules for submission contained in statute.

Table 23 Exhibit 19 Agency Reporting Requirements

Note: If more than one page of space is needed, please provide this chart as an attachment, and feel free to convert it to landscape orientation or transfer it to an Excel file.

B. Has the agency implemented statutory requirements to ensure the use of "first person respectful language"? Please explain and include any statutory provisions that prohibits these changes.

The VLB is not an agency under the direction of the Health and Human Services Commission, and has not gone under Sunset review since the passage of legislation in 2011 directing the use of “first person respectful language,” under H.B. 1481. As such, the agency has not officially implemented rules revisions.

- C. Fill in the following chart detailing information on complaints regarding your agency. Do not include complaints received against people or entities you regulate. The chart headings may be changed if needed to better reflect your agency’s practices.

Veterans Land Board
Exhibit 20: Complaints Against the Agency — Fiscal Years 2015 and 2016

	Fiscal Year 2015	Fiscal Year 2016
Number of complaints received	N/A	N/A
Number of complaints resolved	N/A	N/A
Number of complaints dropped / found to be without merit	N/A	N/A
Number of complaints pending from prior years	N/A	N/A
Average time period for resolution of a complaint	N/A	N/A

Table 24 Exhibit 20 Complaints Against the Agency

See Folder “Additional Information/C. GLO Complaint Reports for FY 2015 and 2016” that provide complaints from external facing portal on GLO agency website.

D. Fill in the following charts detailing your agency’s Historically Underutilized Business (HUB) purchases.

**General Land Office/Veterans Land Board
Exhibit 21: Purchases from HUBs**

Fiscal Year 2015

Category	Total \$ Spent	Total HUB \$ Spent	Percent	Agency Specific Goal*	Statewide Goal
Heavy Construction	0	0	0	0	11.2%
Building Construction	\$6,340,980	\$2,007,999	31.67%	21.10%	21.1%
Special Trade	\$1,474,212	\$1,234,428	16.27%	32.90%	32.9%
Professional Services	\$21,919,276	\$4,046,323	18.46%	23.70%	23.7%
Other Services	\$207,633,350	\$7,164,664	3.45%	26.00%	26.0%
Commodities	\$84,543,982	\$83,552,710	1.17%	21.10%	21.1%
TOTAL	\$321,911,802	\$14,450,044	4.49%		

Table 25 Exhibit 21 HUB Purchases for FY 2015

*** If your goals are agency specific-goals and not statewide goals, please provide the goal percentages and describe the method used to determine those goals. (TAC Title 34, Part 1, Chapter 20, Rule 20.284)**

Fiscal Year 2016

Category	Total \$ Spent	Total HUB \$ Spent	Percent	Agency Specific Goal	Statewide Goal
Heavy Construction	\$3,125	0	0	0	11.2%
Building Construction	\$7,488,534	\$6,554,187	87.52%	8.7%	21.1%
Special Trade	\$1,917,388	\$745,990	38.91%	14.71%	32.9%
Professional Services	\$14,444,498	\$1,299,710	9.00%	11.66%	23.7%
Other Services	\$161,410,950	\$9,916,561	6.14%	3.4%	26.0%
Commodities	\$80,867,501	\$1,090,846	1.35%	1.25%	21.1%
TOTAL	\$266,131,998	\$19,607,296	7.37%		

Table 26 Exhibit 21 HUB Purchases for FY 2016

Fiscal Year 2017

Category	Total \$ Spent	Total HUB \$ Spent	Percent	Agency Specific Goal	Statewide Goal
Heavy Construction	0	0	0	0	11.2%
Building Construction	\$2,930,545	\$2,699,348	92.11%	8.7%	21.1%
Special Trade	\$2,193,341	\$1,318,617	60.12%	14.71%	32.9%
Professional Services	\$8,385,065	\$313,218	3.74%	11.66%	23.7%
Other Services	\$62,559,532	\$8,708,884	13.92%	3.4%	26.0%
Commodities	\$52,446,598	\$509,464	1.97%	1.25%	21.1%
TOTAL	\$128,515,083	\$13,549,533	10.54%		

Table 27 Exhibit 21 HUB Purchases for FY 2017

E. Does your agency have a HUB policy? How does your agency address performance shortfalls related to the policy? (Texas Government Code, Sec. 2161.003; TAC Title 34, Part 1, rule 20.286c)

Yes. The HUB Team meets with our Purchasing Director to re-evaluate upcoming purchasing cycles, expected contract expirations and analyze our HUB goals appropriate to our agency’s missions.

F. For agencies with contracts valued at \$100,000 or more: Does your agency follow a HUB subcontracting plan to solicit bids, proposals, offers, or other applicable expressions of interest for subcontracting opportunities available for contracts of \$100,000 or more? (Texas Government Code, Sec. 2161.252; TAC Title 34, Part 1, rule 20.285)

Yes. In accordance with Texas Government Code §2161.252 and the Texas Administrative Code (TAC) Title 34, part 1, Chapter 20 Subchapter B Section §20.14, each state agency, that considers entering a contract with an expected value of \$100,000 over the life of the contract, including any renewal terms shall, before the agency solicits bids, proposals, offers or other applicable expressions of interest determine whether subcontracting opportunities are probable under the contract.

If the agency has determined that probable subcontracting opportunities have been identified in the scope of work, then all vendors, (HUB and Non-HUB), must include a completed HUB Subcontracting Plan with their response.

G. For agencies with biennial appropriations exceeding \$10 million, answer the following HUB questions.

- 1. Do you have a HUB coordinator? If yes, provide name and contact information. (Texas Government Code, Sec. 2161.062; TAC Title 34, Part 1, rule 20.296)**

Yes.

Mindy Sue Cohen, HUB Coordinator
 512-936-1487
Mindy.cohen@glo.texas.gov

Daphne Grantham, Assistant HUB Coordinator
Daphne.grantham@glo.texas.gov
 512-463-5194

- 2. Has your agency designed a program of HUB forums in which businesses are invited to deliver presentations that demonstrate their capability to do business with your agency? (Texas Government Code, Sec. 2161.066; TAC Title 34, Part 1, rule 20.297)**

Yes.

- 3. Has your agency developed a mentor-protégé program to foster long-term relationships between prime contractors and HUBs and to increase the ability of HUBs to contract with the state or to receive subcontracts under a state contract? (Texas Government Code, Sec. 2161.065; TAC Title 34, Part 1, rule 20.298)**

Yes.

H. Fill in the charts below detailing your agency’s Equal Employment Opportunity (EEO) statistics.

**General Land Office/Veterans Land Board
 Exhibit 22: Equal Employment Opportunity Statistics**

1. Officials / Administration

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	98	7.14%	7.4%	13.27%	22.1%	39.80%	37.4%
2016	102	8.82%	7.4%	12.75%	22.1%	33.33%	37.4%
2017	102	8.82%	7.4%	12.75%	22.1%	36.27%	37.4%

Table 28 Exhibit 22 EEO Statistics for Officials/Administration

2. Professional

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	318	10.06%	10.4%	18.87%	19.3%	44.65%	55.3%
2016	326	9.82%	10.4%	21.78%	19.3%	45.40%	55.3%
2017	332	10.24%	10.4%	21.08%	19.3%	46.80%	55.3%

Table 29 Exhibit 22 EEO Statistics for Professionals

3. Technical

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	29	6.90%	14.4%	34.48%	27.2%	17.24%	55.3%
2016	27	7.41%	14.4%	25.93%	27.2%	22.22%	55.3%
2017	22	9.09%	14.4%	31.82%	27.2%	13.64%	55.3%

Table 30 Exhibit 22 EEO Statistics for Technical

4. Administrative Support

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	58	20.69%	14.8%	27.59%	34.8%	75.86%	72.1%
2016	56	21.43%	14.8%	28.57%	34.8%	76.79%	72.1%
2017	59	18.64%	14.8%	28.81%	34.8%	77.97%	72.1%

Table 31 Exhibit 22 EEO Statistics for Administrative Support

5. Service / Maintenance

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	0	0	13.0%	0	54.1%	0	51.0%
2016	0	0	13.0%	0	54.1%	0	51.0%
2017	0	0	13.0%	0	54.1%	0	51.0%

Table 32 Exhibit 22 EEO Statistics for Service and Maintenance

6. Skilled Craft

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	0	0	10.6%	0	50.7%	0	11.6%
2016	0	0	10.6%	0	50.7%	0	11.6%
2017	0	0	10.6%	0	50.7%	0	11.6%

Table 33 Exhibit 22 EEO Statistics for Skilled Craft

I. Does your agency have an equal employment opportunity policy? How does your agency address performance shortfalls related to the policy?

Yes. Agency recruitment will continue to seek out various ways to reach those segments of the state workforce that are underrepresented at the GLO/VLB in an effort to obtain an applicant pool that reflects the diversity of the state, and thereby help reduce the differentials. (Additionally, see Folder “Additional Information/I. GLO employee-handbook and I. Recruiting Plan for FY2017”)

XII. Agency Comments

Provide any additional information needed to gain a preliminary understanding of your agency.

Investment Management Division:

The Investment Management Division (IMD) is responsible for the financial operations/decision-making related to the financing mechanisms associated with the programs administered by the Veterans Land Board of the State of Texas (“VLB”). Within this construct, IMD plans and manages the issuance of all tax-exempt and taxable bonds and hedges associated interest rate risk by entering interest rate swaps or other bond enhancement agreements. In addition, IMD oversees the financial operations of VLB loan programs, including the certification and sale of GNMA pass-through mortgage-backed securities in secondary markets. IMD also manages the VLB fixed-income investment portfolio to maximize return and minimize risk, while ensuring that programmatic liquidity and cash flow needs are met. Finally, IMD negotiates the financial terms of the contracts related to the operations of the Veterans homes in the David A. Gloier Texas State Veterans Home Program and manages any associated revenue bonds, cash flow projections, debt service coverage analyses, and the structure of resident room rates.

ATTACHMENTS

Create a separate file and label each attachment (e.g., Attachment 1, Agency Statute) and include a list of items submitted. Attachments may be provided in electronic form or through links to agency webpages. (See Attached folder labeled “Attachments”) Program area 1st Governmental Relations 2nd)(If there are no items in attachments folder, the program area did not have anything to provide for this timeframe.)

Attachments Relating to Key Functions, Powers, and Duties

1. Agency’s enabling statute.
2. Annual reports published by the agency from FY 2015–2017.

3. Internal or external newsletters published by the agency from FY 2016–2017.
4. List of studies that the agency is required to do by legislation or riders.
5. List of legislative or interagency studies relating to the agency that are being performed during the current interim.
6. List of studies from other states, the federal government, or national groups/associations that relate to or affect the agency or agencies with similar duties or functions. Provide links if available.

Attachments Relating to Policymaking Structure

7. Biographical information (e.g., education, employment, affiliations, and honors) or resumes of all policymaking body members. ***See Attachment 8 Example.***
8. Agency’s most recent rules. If lengthy, please provide electronically or just the citation to the Administrative Code.

Attachments Relating to Funding

The attachments/links identified in numbers 9 through 11, 13, and 16 include information on all programs in the General Land Office.

9. Agency’s Legislative Appropriations Request for FY 2018–2019.
<http://www.glo.texas.gov/the-glo/reports/budget/files/GLO-VLB-2018-19-LAR.pdf>
10. Annual financial reports from FY 2015–2016.
11. Operating budgets from FY 2015–2017.

Attachment 11: FY 2014-2016 Operating Budget

Attachments Relating to Organization

12. If applicable, a map to illustrate the regional boundaries, headquarters location, and field or regional office locations.

Attachments Relating to Agency Performance Evaluation

13. Quarterly performance reports completed by the agency in FY 2015–2017.

Attachment and links below are performance measure reports for all strategies in the General Land Office.

Attachment 13: FY 2017 Performance Measure report (includes 2 quarterly submissions)

<http://www.glo.texas.gov/the-glo/reports/budget/files/FY-2016-Performance-Measures.pdf>

<http://www.glo.texas.gov/the-glo/reports/budget/files/FY-2015-Performance-Measures.pdf>

14. Any recent studies on the agency or any of its functions conducted by outside management consultants or academic institutions.
15. Agency's current internal audit plan.
16. Agency's current strategic plan.

<http://www.glo.texas.gov/the-glo/reports/audit-legislative/files/GLO-VLB-Agency-Strategic-Plan-2017-2021.pdf>

17. List of internal audit reports from FY 2013–2017 completed by or in progress at the agency.
18. List of State Auditor reports from FY 2013–2017 that relate to the agency or any of its functions.
19. Any customer service surveys conducted by or for your agency in FY 2016–2017.