

**State Board of Education
Summary of Action Items
September 19, 2014**

1. Resolutions and Presentations

Student Performance

Fine arts student representing every school in the Victoria Independent School District (ISD) performed for the State Board of Education and the audience.

Heroes for Children, State Board of Education Districts 1-15

The board recognized 15 outstanding school volunteers as 2014 Heroes for Children: Javier Hernandez, Odessa; Lorena A. Cuellar, Weslaco; Dave Gannon, San Antonio; Eugene Jones, Houston; Lois White, Austin; Karri Parlevliet, Cypress; Carol Scott, Sugar Land; Herbert Gordon, Humble; Guespini Bonner, Lufkin; Gustavo Perez, Leander; Nicole Frieder, Coppell; Relda Beall, Anna; Michael W. Johnston, Fort Worth; Shauna Ramos, Burleson, and Dyron Howell, Bushland.

Advanced Placement U.S. History Resolution

The board, by a vote of 8-4, with two members absent and one abstaining, approved a resolution strongly encouraging the College Board to revise the Advanced Placement U.S. History framework and revise key concepts in the framework so that it “accurately reflects U.S. history without an ideological bias and that restores and encourages flexibility to state, school districts and teachers in how to teach the course.” The full resolution is posted at <http://tinyurl.com/kk645gj> .

Staff Contact: Questions about these items should be directed to the Division of Communications and State Board of Education Support at (512) 463-9000.

2. Commissioner’s Comments

Commissioner Michael Williams discussed a number of topics with the board, including explaining the Texas Education Agency’s legislative appropriations request and exceptional items requests, as well as a federal prekindergarten

grant that the agency plans to apply for next month.

Staff Contact: Questions about this item should be directed to the Communications and State Board of Education Support Division at (512) 463-9000.

3. Approval of Consent Agenda

Any agenda item may be placed on the Consent Agenda by any State Board of Education committee.

- (1) **Proposed Repeal of 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter A, Elementary, §§111.11-111.17, and Subchapter B, Middle School, §§111.21-111.24, and Proposed Amendments to 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter A, Elementary, §111.1, and Subchapter B, Middle School, §111.25
(First Reading and Filing Authorization)
(Committee on Instruction)**

The board approved for first reading and filing authorization the proposed repeal of 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter A, Elementary, §§111.11-111.17, and Subchapter B, Middle School, §§111.21-111.24. The proposed repeal would remove the Texas Essential Knowledge and Skills (TEKS) for Kindergarten-Grade 8 mathematics, and related implementation language, that were superseded by 19 TAC §§111.1-111.7 and 111.25-111.28 of this chapter beginning with the 2014-2015 school year. The board also approved for first reading and filing authorization proposed amendments to 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter A, Elementary, §111.1, and Subchapter B, Middle School, §111.25, to remove references to rules that would be repealed.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

- (2) **Ratification of the Purchases and Sales of the Investment Portfolio of the Permanent School Fund for the Months of June and July 2014
(Committee on School Finance/Permanent School Fund)**

The board ratified the purchases and sales of investments executed in the portfolio of the Permanent School Fund for the months of June

and July 2014 in the amounts of \$1,183,580,482 and \$918,230,165, respectively.

Staff Contact: Questions about this item should be directed to the Office of the Permanent School Fund at (512) 463-9169.

(3) Determination as to Whether Transfers May be Made from the Permanent School Fund to the Available School Fund (Committee on School Finance/Permanent School Fund)

This board reviewed the requirement in Article VII, §5(a)(2) that the total amount distributed over ten years cannot exceed the total return on all investment assets of the PSF over the same ten-year period and recommended that a distribution of \$838.672 million for fiscal year 2015 is permitted.

Staff Contact: Questions about this item should be directed to the Office of the Permanent School Fund at (512) 463-9169.

(4) Proposed Amendments to the Investment Procedures Manual (Committee on School Finance/Permanent School Fund)

This board reviewed and adopted the amendments to the Investment Procedures Manual. The amendments reflect the changes to the asset allocation adopted by the Board in July 2014, a name change to the commodity index used in the real return allocation due to the acquisition of the index by Bloomberg, L.P. from Dow Jones-UBS, and a recognition of the different time horizons for open end and closed end real estate funds.

Staff Contact: Questions about this item should be directed to the Office of the Permanent School Fund at (512) 463-9169.

(5) Decision on Real Estate Investments (Committee on School Finance/Permanent School Fund)

The board unanimously approved the agreements with Blackstone Real Estate necessary to make an investment commitment of up to \$100 million in Blackstone Property Partners, L.P., subject to continued due diligence and negotiation of fund terms, and approval to execute agreements with Blackstone Real Estate to make an additional investment commitment of up to \$25 million in Blackstone Real Estate

Partners Europe IV, L.P.

Staff Contact: Questions about this item should be directed to the Office of the Permanent School Fund at (512) 463-9169.

- (6) **Presentations by Finalist Candidates for Emerging Market Equity Discretionary Investment Managers for the Permanent School Fund and Authorization for Contract Execution by the Commissioner of Education
(Committee on School Finance/Permanent School Fund)**

By unanimous consent, the board recommended approval of contracts with Quantitative Management Associates and Blackrock Institutional Trust in equal allocations for emerging market equity discretionary investment managers for contract execution by the commissioner of education.

Staff Contact: Questions about this item should be directed to the Office of the Permanent School Fund at (512) 463-9169.

**ITEMS FOR ACTION BY THE FULL SBOE
(COMMITTEE OF THE FULL BOARD)**

4. **Decision on the Percentage Distribution of the Permanent School Fund**

The board approved a percentage distribution rate from the Permanent School Fund to the Available School Fund of 3.5 percent for the 2016-2017 biennium. This will generate about \$1.05 billion for use in the public schools. This was the board's first vote on the distribution item. Following standard practice, the board is expected to take a second vote on this matter at its November meeting.

Staff Contact: Questions about this item should be directed to the Office of the Permanent School Fund at (512) 463-9169.

5. **Proposed Revisions to 19 TAC Chapter 114, Texas Essential Knowledge and Skills for Languages Other Than English, Subchapter C, High School
(Second Reading and Final Adoption)**

The board gave final approval to new Texas Essential Knowledge and Skills (TEKS) for classical languages, such as Latin and Greek. The board also

delayed the implementation of the new TEKS until the 2017-2018 school year when new instructional materials are expected to be available.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

6. Proposed Amendments to 19 TAC Chapter 114, Texas Essential Knowledge and Skills for Languages Other Than English, Subchapter A, Elementary, Subchapter B, Middle School, and Subchapter D, Other Languages Other Than English Courses (First Reading and Filing Authorization)

Because the board has delayed the adoption of new instructional materials for Languages Other than English by one year, the board approved for first reading and filing authorization a plan to delay the implementation of the new TEKS for these courses, which includes Spanish, French, German and other modern languages, until the 2017-2018 school year when materials are expected to be available. This rule will be considered for final adoption in November.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

7. Proposed Amendments to 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies, Subchapter D, Other Social Studies Courses (First Reading and Filing Authorization)

The board approved for first reading and filing authorization a rule that requires Advanced Placement and International Baccalaureate social studies courses to address the TEKS as applicable. This rule will be considered for final adoption in November.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

COMMITTEE ON INSTRUCTION

8. **Proposed Amendment to 19 TAC Chapter 89, Adaptations for Special Populations, Subchapter D, Special Education Services and Settings, §89.63, Instructional Arrangements and Settings (First Reading and Filing Authorization)**

The board approved for first reading and filing authorization proposed amendment to 19 TAC Chapter 89, Adaptations for Special Populations, Subchapter D, Special Education Services and Settings, §89.63, Instructional Arrangements and Settings. The amendment addresses the mainstream, home-bound, off-home campus, and vocational adjustment class/program instructional arrangements. This rule action will be considered for final adoption in November following the official public comment period.

Staff Contact: Questions about this item should be directed to the Federal and State Education Policy Division at (512) 936-6060.

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND

9. **Proposed Amendment to 19 TAC Chapter 129, Student Attendance, Subchapter B, Student Attendance Accounting, §129.21, Requirements for Student Attendance Accounting for State Funding Purposes (First Reading and Filing Authorization)**

The board approved for first reading and filing authorization an amendment to 19 TAC Chapter 129, Student Attendance, Subchapter B, Student Attendance Accounting, §129.21, Requirements for Student Attendance Accounting for State Funding Purposes. The amendment updates statutory references in the rule text to reflect changes from the 83rd Texas Legislature, Regular Session, 2013.

Staff Contact: Questions about this item should be directed to the State Funding Division at (512) 463-9238.

10. **Per Capita Apportionment Rate for the 2014-2015 School Year (Moved to Consent Agenda)**

The board unanimously adopted the per capita apportionment rate of \$257.274 for the 2014-2015 school year based on an estimate of the amount available for expenditures from the Available School Fund.

Staff Contact: Questions about this item should be directed to the State Funding Division at (512) 463-9238.

**11. Proposed Amendment to 19 TAC Chapter 33, Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund, Subchapter A, State Board of Education Rules, §33.65, Bond Guarantee Program for School Districts
(First Reading and Filing Authorization)**

The board approved for first reading and filing authorization an amendment to 19 TAC Chapter 33, Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund, Subchapter A, State Board of Education Rules, §33.65, Bond Guarantee Program for School Districts. The amendment adds a definition of bond to the rule to define more precisely the types of debt that are eligible for guarantee. The amendment also modifies the rule to require that each issuance of bonds approved for the guarantee be approved by the attorney general. In addition, the proposal adds a definition of nationally recognized investment rating firm to provide consistency with the charter school bond guarantee rules.

Staff Contact: Questions about this item should be directed to the Office of the Permanent School Fund at (512) 463-9169.

**12. Proposed Amendment to 19 TAC Chapter 33, Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund, Subchapter A, State Board of Education Rules, §33.67, Bond Guarantee Program for Charter Schools
(First Reading and Filing Authorization)**

The board approved for first reading and filing authorization an amendment to 19 TAC Chapter 33, Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund, Subchapter A, State Board of Education Rules, §33.67, Bond Guarantee Program for Charter Schools. The amendment adds a definition of bond to the rule to define more precisely the types of debt that are eligible for guarantee, as well as a definition of nationally recognized investment rating firm. In addition, the amendment modifies the rule to require that each issuance of bonds approved for the guarantee be approved by the attorney general. Finally, the proposal clarifies language regarding the treatment of charter schools that apply for the guarantee within 12 months of the date that their charter is due to expire.

Staff Contact: Questions about this item should be directed to the Office of the Permanent School Fund at (512) 463-9169.

COMMITTEE ON SCHOOL INITIATIVES

13. **Review of Proposed Revisions to 19 TAC Chapter 227, Provisions for Educator Preparation Candidates**

The board rejected the revisions to the State Board for Educator Certification (SBEC) rules revising 19 TAC Chapter 227, Provisions for Educator Preparation Candidates. The proposed revisions would have updated the rules to reflect current law, clarify minimum standards for all Educator Preparation Programs (EPPs) and allow for flexibility, and ensure consistency among EPPs in the state. By rejecting the amendments, the board also rejected a proposal to maintain the minimum grade point average required for entrance into a program at 2.5. The SBEC originally increased the requirement to 2.75, but at its August meeting, lowered the minimum back to the required GPA of 2.5 as codified in current rule. The SBOE rejection means the 2.5 requirement will stand until SBEC takes future action.

Staff Contact: Questions about this item should be directed to the Department of Educator Leadership and Quality at (512) 936-8400.

14. **Review of Proposed Amendments to 19 TAC Chapter 228, Requirements for Educator Preparation Programs**

The board took no action on SBEC amendments to 19 TAC Chapter 228, Requirements for Educator Preparation Programs. The amendments update the rules to reflect current law, clarify minimum standards for all EPPs, allow for flexibility, and ensure consistency among EPPs in the state.

The SBOE, under Texas law, may only veto proposed SBEC rules or take no action, which effectively endorses the SBEC proposal.

Staff Contact: Questions about this item should be directed to the Department of Educator Leadership and Quality at (512) 936-8400.

15. **Review of Proposed Amendments to 19 TAC Chapter 229, Accountability System for Educator Preparation Programs, §§229.2-229.8**

The board took no action on the SBEC amendments to 19 TAC Chapter

229, Accountability System for Educator Preparation Programs, §§229.2-229.8. The amendments update definitions, modify the standards used for enforcing the reporting of data, clarify the standards used for accountability, adjust the small group exception requirements, and establish a new process for challenging sanctions imposed on programs that fail the accountability system.

The SBOE, under Texas law, may only veto proposed SBEC rules or take no action, which effectively endorses the SBEC proposal.

Staff Contact: Questions about this item should be directed to the Department of Educator Leadership and Quality at (512) 936-8400.

16. Review of Proposed Amendment to 19 TAC Chapter 249, Disciplinary Proceedings, Sanctions, and Contested Cases, Subchapter B, Enforcement Actions and Guidelines, §249.17, Decision-Making Guidelines

The board took no action on an SBEC amendment to 19 TAC Chapter 249, Disciplinary Proceedings, Sanctions, and Contested Cases, Subchapter B, Enforcement Actions and Guidelines, §249.17, Decision-Making Guidelines. The amendment clarifies that under the SBEC decision-making guidelines, actions that constitute "engaged in" and "solicitation" are distinct grounds for permanent revocation or denial of certification. The amendment also clarifies that fact findings from final orders from other state jurisdictions may also provide the basis for initiating disciplinary proceedings in Texas.

The SBOE, under Texas law, may only veto proposed SBEC rules or take no action, which effectively endorses the SBEC proposal.

Staff Contact: Questions about this item should be directed to the Department of Educator Leadership and Quality at (512) 936-8400.

17. Review of Proposed Amendment to 19 TAC Chapter 250, Administration, Subchapter B, Rulemaking Procedures, §250.20, Petition for Adoption of Rules or Rule Changes

The board took no action on an SBEC amendment to 19 TAC Chapter 250, Administration, Subchapter B, Rulemaking Procedures, §250.20, Petition for Adoption of Rules or Rule Changes. The amendment clarifies references to the Texas Education Agency (TEA) and updates the petition form to reflect the name of the office to which the form should be mailed when making a request for adoption of a rule or rule changes.

The SBOE, under Texas law, may only veto proposed SBEC rules or take no action, which effectively endorses the SBEC proposal.

Staff Contact: Questions about this item should be directed to the Department of Educator Leadership and Quality at (512) 936-8400.

18. Consideration of Development of a Long-Range Plan for Public Education

The board approved appointing an Ad Hoc Committee of nine members to review and determine the viability and utility of developing a long range plan.

Staff Contact: Questions about this item should be directed to the Division of Communications and SBOE Support at (512) 463-9000.

19. Proposed Revisions to 19 TAC Chapter 100, Charters, Subchapter A, Open-Enrollment Charter Schools (Second Reading and Final Adoption)

The board approved for second reading and final adoption revisions to 19 TAC Chapter 100, Charters, Subchapter A, Open-Enrollment Charter Schools. The revisions align the SBOE rules with the Texas Education Code (TEC), Chapter 12, Subchapters D and E, as amended by Senate Bill (SB) 2, 83rd Texas Legislature, Regular Session, 2013.

Staff Contact: Questions about this item should be directed to the Charter School Administration Unit at (512) 463-9623.

20. Review of the Commissioner of Education's Generation 19 Charter Proposals

The board took no action on the commissioner's list of recommended Subchapter D open-enrollment charter schools scheduled to open in school year 2015-2016. The commissioner recommended granting a charter to Beta Academy, Houston; High Point Academy, Fort Worth; Ki Charter Academy, San Marcos; The Excel Center, Austin; and Trinity Environmental Academy in Dallas.

The board, by law, may only veto or take no action on the commissioner's charter applicant decisions.

Staff Contact: Questions about this item should be directed to the Charter School Administration Unit at (512) 463-9623.