

**Report of the State Board of Education  
Committee on School Finance/Permanent School Fund  
Thursday, February 1, 2024**

The State Board of Education Committee on School Finance/Permanent School Fund met at 9:06 a.m. on Thursday, February 1, 2024, in the State Board of Education Room, #1-104, of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas. Attendance was noted as follows:

Present: Tom Maynard, chair; Marisa Perez-Diaz, vice chair; ; Patricia Hardy; and Aaron Kinsey

Absent: Keven Ellis

**Public Testimony**

The Committee on School Finance/Permanent School Fund received no presentations of public testimony.

**ACTION ITEMS**

- 1. 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, §33.2, Distributions to the Available School Fund**  
(Second Reading and Final Adoption)  
(Board agenda page III-1)

Mr. Mark Shewmaker from the Permanent School Fund Corporation presented this item for second reading and final adoption. Mr. Shewmaker explained that the proposed amendment reinserts information related to the Permanent School Fund (PSF) distribution policy that was mistakenly repealed when 19 TAC Chapter 33 was revised to implement Senate Bill (SB) 1232, 87th Texas Legislature, Regular Session, 2021. He also explained the purpose of the reinserted language. Mr. Maynard commented on the item.

**MOTION AND VOTE:** *It was moved by Ms. Perez-Diaz, seconded by Ms. Hardy, and carried unanimously to recommend that the State Board of Education approve for second reading and final adoption the 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, §33.2, Distributions to the Available School Fund.*

*Make an affirmative finding that immediate adoption of the 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, §33.2, Distributions to the Available School Fund, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register.*

2. **Proposed Amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide**

(Second Reading and Final Adoption)  
(Board agenda page III-5)

David Marx, senior director, financial compliance, presented this item for second reading and final adoption. Mr. Marx explained that proposed amendment would adopt by reference the updated *Financial Accountability System Resource Guide* (FASRG). No changes are recommended since approved for first reading. He explained the purpose of the guide, what it includes, why it is being updated, and what aspects are being updated. He also explained what is in the FASRG, the public comments received, and the changes made to the FASRG as a result of public comments. Mr. Maynard commented on the item. Mr. Maynard and Mr. Kinsey asked a question related to the item.

**MOTION AND VOTE:** *It was moved by Ms. Perez-Diaz, seconded by Ms. Hardy, and carried unanimously to recommend that the State Board of Education approve for second reading and final adoption the repeal of 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide.*

*Make an affirmative finding that immediate adoption of the proposed amendment to Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register.*

The meeting of the Committee on School Finance/Permanent School Fund adjourned at 9:19 a.m.