

**Report of the State Board of Education
Committee on School Finance/Permanent School Fund
Thursday, November 16, 2023**

The State Board of Education Committee on School Finance/Permanent School Fund met at 2:32 p.m. on Thursday, November 16, 2023, in Room #1-104 of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas. Attendance was noted as follows:

Present: Tom Maynard, chair; Keven Ellis; Patricia Hardy; Aaron Kinsey; Marisa B. Perez-Diaz

Public Testimony

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

ACTION ITEMS

1. Approval of Costs to Administer the 2023–2024 State-Developed Assessments to Private School Students

(Board agenda page III-1)
[Consent agenda item #(2)]

Gregory Reck, policy analyst, student assessment division, explained that Texas Education Code, §39.033 allows private schools to voluntarily use state-developed assessments to evaluate their students. He explained that the State Board of Education is required to approve the cost per assessment for private schools each year.

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 the recommended per-student costs for administering the state assessments to private school students in the 2023–2024 school year as listed in Attachment A.*

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

(First Reading and Filing Authorization)
(Board agenda page III-5)
[Consent agenda item #(3)]

David Marx, senior director, financial compliance, explained that the proposed amendment would adopt by reference the updated *Financial Accountability System Resource Guide* (FASRG). He explained the purpose of the guide, what it includes, why it is being updated, and which portions are being updated.

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 first reading and filing authorization the proposed amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide.*

3. **Adoption of Rule Review of 19 TAC Chapter 33, Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund, Subchapter A, State Board of Education Rules, and Subchapter B, Texas Permanent School Fund Corporation Rules**
(Board agenda page III-11)
[Consent agenda item #(4)]

Mr. Marx explained that this item presents the adoption of the review of 19 TAC Chapter 33, Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund, Subchapter A, State Board of Education Rules, and Subchapter B, Texas Permanent School Fund Corporation Rules. He stated that no public comments were received on this 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 adopt the review of 19 TAC Chapter 33, Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund, Subchapter A, State Board of Education Rules, and Subchapter B, Texas Permanent School Fund Corporation Rules.*

4. **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 (First Reading and Filing Authorization)**
(Board agenda page III-41)
[Consent agenda item #(5)]

Mr. Marx explained that the proposed amendment reinserts information related to the Permanent School Fund (PSF) distribution policy that was inadvertently repealed when 19 TAC Chapter 33 was revised to implement Senate Bill (SB) 1232, 87th Texas Legislature, Regular Session, 2021. Mark Shewmaker, senior investment officer and director of special projects, Permanent School Fund Corporation, stated that the policy had been used by the board for many years when setting the distribution rate and the adoption of the amendment would maintain current practice.

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 suspend the board operating procedures in accordance with §5.2(a) to allow consideration at first reading and filing authorization; and*

Approve for first reading and filing authorization 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.

The meeting of the Committee on School Finance/Permanent School Fund adjourned at 2:52 p.m.

Recommended Private School Costs for the 2023–2024 School Year

State of Texas Assessments of Academic Readiness (STAAR®) and Texas English Language Proficiency Assessment System (TELPAS)

Program	Test	Number of Tests Based on Eligible Testers	Total Cost	Cost per Student per Test	Recommended Cost per Private School Student per Test
STAAR	Grades RLA*	3,760,188	\$34,307,944.44	\$9.12	\$9.12
	Mathematics*	2,888,413	\$14,256,511.48	\$4.94	\$4.94
	Science*	1,369,292	\$9,028,416.55	\$6.59	\$6.59
	Social Studies	858,788	\$5,889,878.61	\$6.86	\$6.86
TELPAS	Kindergarten–Grade 12	1,175,023	\$16,508,105.96	\$14.05	\$14.05

*Includes English and Spanish versions for grades 3–5.