

Minutes

State Board of Education

January 31, 2020

STATE BOARD OF EDUCATION
(State Board for Career and Technology Education)

KEVEN ELLIS, Lufkin
Chair of the State Board of Education
District 9

MARTY ROWLEY, Amarillo
Vice Chair of the State Board of
Education
District 15

GEORGINA PÉREZ, El Paso
Secretary of the State Board of
Education
District 1

Board Members

LAWRENCE ALLEN, JR., Houston
District 4

PAM LITTLE, Fairview
District 12

DONNA BAHORICH, Houston
District 6

TOM MAYNARD, Florence
District 10

BARBARA CARGILL, Conroe
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SUE MELTON-MALONE, Robinson
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District 5

AICHA DAVIS, Dallas
District 13

MARISA PEREZ-DIAZ, Converse
District 3

PATRICIA HARDY, Fort Worth
District 11

MATT ROBINSON, Friendswood
District 7

Committees of the State Board of Education

INSTRUCTION

Sue Melton-Malone, chair
Pam Little, vice chair
Aicha Davis
Georgina C. Pérez
Marty Rowley

SCHOOL FINANCE/PERMANENT SCHOOL FUND

Tom Maynard, chair
Lawrence A. Allen, Jr., vice chair
Donna Bahorich
Patricia Hardy
Ken Mercer

SCHOOL INITIATIVES

Barbara Cargill, chair
Marisa B. Perez-Diaz, vice chair
Ruben Cortez, Jr.
Keven Ellis
Matt Robinson

Minutes
State Board of Education
January 31, 2020

The State Board of Education met at 9:04 a.m. on Friday, January 31, 2020, 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: Keven Ellis, chair; Lawrence A. Allen, Jr.; Donna Bahorich; Barbara Cargill; Ruben Cortez, Jr.; Pat Hardy; Pam Little; Tom Maynard; Sue Melton-Malone; Ken Mercer; Georgina C. Pérez, secretary; Marisa B. Perez-Diaz; Matt Robinson; Marty Rowley, vice chair

Student performance

The student performance was provided by Memorial Middle School Chamber Orchestra in the Spring Branch Independent School District (ISD).

Invocation

Pledge of Allegiance

Roll Call

The State Board of Education considered items in the following order: Item number 1, 2, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 3, 4, 6, 7, 8, 9, 5

1. Resolutions and Presentations

The Milken National Educator Award obelisk was presented to teacher Susan Moreno of Dallas ISD by Chair Keven Ellis and Texas Milken Educator Award Coordinator Gabriela Duran-Lara.

Presidential Award for Excellence in Mathematics and Science Teaching

The State Board of Education, by unanimous consent, adopted a resolution honoring state and national finalists for the 2019 Presidential Awards for Excellence in Mathematics and Science Teaching program.

(ATTACHMENT 1, page 17)

The State Board of Education, by unanimous consent, adopted a resolution honoring national awardees for the 2017 Presidential Awards for Excellence in Mathematics and Science Teaching program.

(ATTACHMENT 2, page 19)

The State Board of Education, by unanimous consent, adopted a resolution honoring national awardees for the 2018 Presidential Awards for Excellence in Mathematics and Science Teaching program.

(ATTACHMENT 3, page 21)

Employers for Education Excellence Award

The State Board of Education, by unanimous consent, adopted a resolution honoring Toyota of Boerne, the Haynes Boone law firm, and Southwest Airlines as recipients of the gold Employers for Education Excellence award, the Dallas Fire-Rescue Department and Accenture as recipients of the silver Education Excellence award, and Pricewaterhouse Coopers and Thomas Reuters as recipients of the bronze Education Excellence award.

(ATTACHMENT 4, page 23)

Career and Technical Education Month

The State Board of Education, by unanimous consent, adopted a resolution proclaiming February 1-29, 2020 as Career and Technical Education Month in Texas.

(ATTACHMENT 5, page 25)

Public Testimony

The State Board of Education received no presentations of public testimony.

2. Approval of Consent Agenda

Any agenda item may be placed on the consent agenda by any State Board of Education committee. The State Board of Education may elect to take separate action on any item on the consent agenda.

By unanimous consent, the State Board of Education approved the following items on the consent agenda.

(1) Ratification of the Purchases and Sales of the Investment Portfolio of the Permanent School Fund for the Months of October and November 2019

(Board agenda page III-9)

(Committee on School Finance/Permanent School Fund)

The State Board of Education ratified the purchases and sales for the months of October and November 2019, in the amounts of \$756,881,353 and \$783,201,264 respectively (ATTACHMENT 6, page 27).

- (2) **Recommendation for Appointments to the to the Boys Ranch Independent School District Board of Trustees**
(Board agenda page IV-1)
(Committee on School Initiatives)

The State Board of Education, approved the reappointments of Mr. George Owen and Mr. Mark Strother to serve a two-year term of office, from January 31, 2020 to January 31, 2022, on the Boys Ranch Independent School District Board of Trustees.

- (3) **Recommendation for Appointments to the Randolph Field Independent School District Board of Trustees**
(Board agenda page IV-27)

The State Board of Education approved the reappointment of Ms. Vanessa Bowden, Mr. Jimmy Cornelius, and Mr. William Morrison to serve a term of office, from January 31, 2020 to January 31, 2022, on the Randolph Field Independent School District Board of Trustees.

COMMITTEE OF THE FULL BOARD

3. **One-Time Procedural Action to Correct Amendment to 19 TAC Chapter 66, State Adoption and Distribution of Instructional Materials, Subchapter B, State Adoption of Instructional Materials**
(Board agenda page I-5)

MOTION AND VOTE: *It was moved by Mr. Rowley and carried unanimously that the State Board of Education amend the previously adopted motion from the November 15, 2019 minutes of the State Board of Education to reinstate the sentence "Samples of submitted prekindergarten materials must match the format of the products to be provided to schools upon ordering" in 19 TAC Chapter 66, State Adoption and Distribution of Instructional Materials, Subchapter B, State Adoption of Instructional Materials, §66.28(d)(2), and to remove the sentence "Samples of adopted prekindergarten materials must match the format of the products to be provided to schools upon ordering" from §66.28(d)(7), as recommended by the Committee of the Full Board.*

(Mrs. Melton-Malone was absent for the vote.)

4. **Proposed Amendments to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.12, Foundation High School Program, and §74.13, Endorsements**
(First Reading and Filing Authorization)
(Board agenda page I-9)

MOTION AND VOTE: *It was moved by Mr. Rowley and carried unanimously that the State Board of Education approve for first reading and filing authorization proposed amendments to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation Requirements; §74.12, Foundation High School Program; and §74.13, Endorsements, as recommended by the Committee of the Full Board.*

(Mrs. Melton-Malone was absent for the vote.)

5. **Proposed Revisions to 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies, Subchapter C, High School, and Subchapter D, Other Social Studies Courses (First Reading and Filing Authorization)**
(Board agenda page I-20)

MOTION: *It was moved by Mr. Rowley that the State Board of Education approve for first reading and filing authorization proposed revisions to 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies, Subchapter C, High School, and Subchapter D, Other Social Studies Courses, as amended and recommended by the Committee of the Full Board.*

MOTION AND VOTE: *It was moved by Mr. Rowley, seconded by Mr. Maynard and carried unanimously to approve the following recommendations from TEA staff:*

Add new §113.51(a) to read:

(a) General requirements. Students shall be awarded one credit for successful completion of this course. This course is recommended for students in Grades 10-12.

Amend SE (2)(A) and add new SE (2)(B) to clarify language as follows:

(2)(A) analyze the economic, political, and social reasons for ~~focusing~~ the African diaspora ~~on Africa~~, including the role of Africans, Europeans, ~~and colonization in North, Central, and South America, and the West Indies and neighboring islands, and the interactions among enslaved Africans and Native Americans;~~

(2)(B) compare and contrast the colonization of North, Central, and South America, and the West Indies and neighboring islands and analyze the interactions among enslaved Africans and Native Americans;

Revise SE (4)(C) to clarify the language and add Marcus Garvey in the correct time period as follows:

(4)(C) compare ~~examine~~ the opportunities and that resulted from challenges faced by African Americans ~~American men and women~~ from post-Reconstruction to the early 20th century and the viewpoints and actions of African Americans, including Ida B. Wells, W.E.B Du Bois, Booker T. Washington, Marcus Garvey, the National Association for the Advancement of Colored People (NAACP), Freedmen's Towns, and the Exodusters;

Strike Buffalo Soldiers from SE (4)(H) and add new SE (4)(D) as follows:

(4)(H) examine the experiences of African American soldiers during and after World War I; ~~and ,including the Buffalo Soldiers.~~

(4)(I) evaluate the impact of African American military service from Reconstruction through World War I, including the role of the Buffalo Soldiers.

Amend (10)(C) as follows:

(10)(C) identify and analyze the contributions of ~~civic participation~~ of African Americans in ~~terms of~~ leadership roles at local, state, and national ~~federal~~ levels of government, including U.S. Supreme Court cases.

(Mr. Cortez and Mrs. Melton-Malone were absent for the vote.)

MOTION AND VOTE: *It was moved by Ms. Pérez that the State Board of Education approve a series of amendments to §113.51 primarily to address verbs in the student expectations. The motion was withdrawn.*

MOTION AND VOTE: *It was moved by Mrs. Bahorich and carried that the State Board of Education consider each amendment proposed by Ms. Pérez separately.*

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Ms. Pérez, and carried that the State Board of Education amend §113.51(b)(2)(D) to read as follows:*

“~~analyze~~ explain the causes for the growth and development of slavery, primarily in the Southern colonies”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich and carried that the State Board of Education amend §113.51(b)(2)(C) to read as follows:*

“~~assess and discuss~~ describe and explain the impact of the Middle Passage on African American culture”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Ms. Pérez, and carried that the State Board of Education amend §113.51(b)(3)(A) to read as follows:*

“~~identify~~ analyze and evaluate the economic, social, religious, and legal rationalization used by Americans to continue and expand slavery after declaring independence from Great Britain”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(3)(D) to read as follows:*

“~~identify~~ analyze and evaluate various forms of individual and group resistance against the enslavement of African Americans”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(3)(F) to read as follows:*

“~~examine~~ analyze national and international abolition efforts, including the U.S. ban on the slave trade (1808), ~~and~~ the abolition of slavery in Mexico (1829) and Great Britain (1833), and the ~~role that~~ significance of the Guerrero Decree ~~played~~ in the Texas Revolution”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(4)(B) to read as follows:*

“describe and ~~analyze~~ explain the successes and failures of Reconstruction”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(4)(F) to read as follows:*

“~~evaluate~~ describe the impact of the 1896 Plessy v. Ferguson U.S. Supreme Court decision, Plessy v. Ferguson (1896)”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Ms. Pérez, and carried that the State Board of Education amend §113.51(b)(5)(D) to read as follows:*

“~~assess~~ describe the impact of racism during World War II”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(6)(B) to read as follows:*

“~~distinguish~~ describe the major contributions of contemporary African Americans and how their contributions have shaped the American experience such as Barbara Jordan, Shirley Chisholm, Condoleezza Rice, Earl G. Graves, Colin Powell, John H. Johnson, Muhammad Ali, and Barack Obama”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(7)(D) to read as follows:*

“analyze how environmental changes ~~have~~ impacted African American communities such as land use, settlement patterns, and urban development”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(8)(D) to read as follows:*

“explain how economic policies such as sharecropping, Jim Crow economics, and redlining ~~have~~ impacted the standard of living of African Americans”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(8)(G) to read as follows:*

“analyze how various geographic, cultural, social, political, and financial factors ~~have impacted~~ influenced the economic mobility of African Americans such as skin color, wealth, and educational background”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(8)(H) to read as follows:*

“~~analyze~~ evaluate the effectiveness of various approaches African Americans have used to solve economic issues”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(8)(J) to read as follows:*

“~~examine~~ analyze the contributions of African American and Black American Business entrepreneurship such as Black Wall Street, black inventors, and the black experience in business and the economic contributions of individuals such as Madam C. J. Walker and Fannie Lou Hamer”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Ms. Pérez, and carried that the State Board of Education amend §113.51(b)(9)(D) to read as follows:*

“~~analyze~~ explain how government policies, court actions, and legislation impacted African Americans from the 1920s through the 1950s”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(9)(F) to read as follows:*

“~~analyze~~ explain how the changing political environment ~~has impacted~~ influenced civil rights from the late 20th century to the present”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(10)(A) to read as follows:*

“analyze examples of conflict and cooperation between African Americans and other groups in the pursuit of individual freedoms and civil rights, such as the Freedom Riders and Memphis Sanitation Workers Strike”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(10)(B) to read as follows:*

“explain how various philosophies and ideologies have ~~played a role in~~ influenced the African American experience for social, political, and legal equality such as fair housing, equal opportunity, affirmative action, and voting rights”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Ms. Hardy, and carried that the State Board of Education amend §113.51(b)(11)(B) to read as follows:*

“analyze how regional differences ~~have impacted~~ influenced political perspectives of African American communities”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(11)(D) to read as follows:*

“~~evaluate~~ analyze selected contemporary African American issues that have led to diverse points of view in public discourse, including rights and activism”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(13)(A) to read as follows:*

“identify and ~~evaluate~~ describe the influence of African oral traditions, visual art, literary art, theater, music, and dance on African American culture”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(13)(B) to read as follows:*

“describe ~~and evaluate~~ the influence ~~impact~~ of enslavement on African American culture”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(13)(C) to read as follows:*

“identify ~~and evaluate~~ the contributions of early African American literature, including the works of Phillis Wheatley and Jupiter Hammon”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(14)(B) to read as follows:*

“~~examine~~ describe how various African American expressions of dance forms such as tap dance, step dance, hip hop, and modern dance, and the contributions of African American dancers, such as Katherine Dunham, Misty Copeland, Alvin Ailey, Bill “Bojangles” Robinson, and the Dance Theater of Harlem have contributed to the shared identity of various groups”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Ms. Pérez, and carried that the State Board of Education amend §113.51(b)(14)(D) to read as follows:*

“~~interpret the reviews~~ describe the reactions to and the influence of selected works by African American authors such as The Souls of Black Folk by W.E.B. Du Bois, Native Son by Richard Wright, Their Eyes Were Watching God by Zora Neale Hurston, and Eyes on the Prize by Henry Hampton”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(14)(E) to read as follows:*

“~~examine~~ describe storytelling, literary, filmmaking, and visual arts contributions related to self-identity made by African Americans such as Maya Angelou, bell hooks, John T. Biggers, Oscar Micheaux, Lorraine Hansberry, Amiri Baraka, August Wilson, Faith Ringgold, Sidney Poitier, Spike Lee, John Singleton, and Oprah Winfrey”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(14)(F) to read as follows:*

“~~explain~~ describe how characteristics of African American history and culture have been reflected in various genres of art, music, film, theatre, visual arts, and dance”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Mercer, and carried that the State Board of Education amend §113.51(b)(15)(C) to read as follows:*

“~~examine~~ describe the contributions of significant African American individuals to science, philosophy, mathematics, and technology, including Benjamin Banneker, Katherine Johnson, Henrietta Lacks, Mae Jemison, Dorothy Vaughan, George Washington Carver, Neil deGrasse Tyson, Granville Woods, and Mary Jackson”

(Mr. Cortez, Mrs. Melton-Malone, and Ms. Perez-Diaz were absent for the vote.)

MOTION AND VOTE: *It was moved by Ms. Pérez, seconded by Mr. Allen, and carried that the State Board of Education instruct staff to make technical edits to the social studies skills strand to match the streamlined social studies standards for other high school courses.*

(Mr. Cortez and Mrs. Melton-Malone were absent for the vote.)

VOTE: *A vote was taken on the motion that the State Board of Education approve for first reading and filing authorization proposed revisions to 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies, Subchapter C, High School, and Subchapter D, Other Social Studies Courses, as amended and recommended by the Committee of the Full Board, as amended. The motion carried.*

(Mr. Allen, Mr. Cortez, and Mrs. Melton-Malone were absent for the vote.)

6. **Proposed Revisions to 19 TAC Chapter 126, Texas Essential Knowledge and Skills for Technology Applications, and Chapter 130, Texas Essential Knowledge and Skills for Career and Technical Education (First Reading and Filing Authorization)**
(Board agenda page I-43)

MOTION AND VOTE: *It was moved by Mr. Rowley and carried unanimously that the State Board of Education approve for first reading and filing authorization proposed revisions to 19 TAC Chapter 126, Texas Essential Knowledge and Skills for Technology Applications, Subchapter C, High School, and Subchapter D, Other Technology Applications Courses, and Chapter 130, Texas Essential Knowledge and Skills for Career and Technical Education, Subchapter A, Agriculture, Food, and Natural Resources; Subchapter C, Arts, Audio/Video Technology, and Communications; Subchapter K, Information Technology; Subchapter O, Science, Technology, Engineering, and Mathematics; and Subchapter Q, Energy, as recommended by the Committee of the Full Board.*

7. **Amendments to Proclamation 2021 of the State Board of Education Advertising for Bids on Instructional Materials**
(Board agenda page I-138)

MOTION AND VOTE: *It was moved by Mr. Rowley and carried unanimously that the State Board of Education approve proposed amendments to Proclamation 2021 of the State Board of Education Advertising for Bids on Instructional Materials, as recommended by the Committee of the Full Board.*

8. **Update on Texas Essential Knowledge and Skills (TEKS) Review**
(Board agenda page I-139)

MOTION AND VOTE: *It was moved by Mr. Rowley and carried that the State Board of Education direct the science TEKS review work groups to strongly consider maintaining the language in Biology student expectations 7.B, 4.A, and 6.A as well as 3.A, as recommended by the Committee of the Full Board.*

MOTION AND VOTE: *It was moved by Mr. Rowley and carried that the State Board of Education direct the science TEKS review work groups to standardize the language of student expectation 3.A in Biology, Chemistry, IPC, and Physics in all other high school science courses, as recommended by the Committee of the Full Board.*

MOTION: *It was moved by Mr. Rowley that the State Board of Education direct the science TEKS review work groups to consider how the K-12 Framework and the Next Generation Science Standards will be used as a resource to inform recommendations for revision of the science TEKS, as recommended by the Committee of the Full Board.*

MOTION AND VOTE: *It was moved by Ms. Pérez, seconded by Mrs. Bahorich, and carried to amend the motion to read:*

“direct the science TEKS review work groups to consider how the K-12 Framework will be used as a resource to inform recommendations for revision of the science TEKS”

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mrs. Cargill, and carried to amend the motion to read:*

“direct the science TEKS review work groups to consider how ‘A Framework for K-12 Science Education’ will be used as a resource to inform recommendations for revision of the science TEKS”

MOTION AND VOTE: *It was moved by Mrs. Bahorich, seconded by Mr. Maynard, and carried to amend the motion to read:*

“direct staff to provide the science TEKS review work groups with ‘A Framework for K-12 Science Education’ as a resource to inform recommendations for revision of the science TEKS”

VOTE: *A vote was taken on the motion to direct staff to provide the science TEKS review work groups with ‘A Framework for K-12 Science Education’ as a resource to inform recommendations for revision of the science TEKS, as amended. The motion carried unanimously.*

9. **Proposed New 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.101, Applicability of State Law for Special Purpose School Districts (First Reading and Filing Authorization)**
(Board agenda page I-142)

The committee postponed action on this item until April 2020; therefore, this item was removed from the agenda.

COMMITTEE ON INSTRUCTION

10. **Proposed Amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.26, Award of Credit (Second Reading and Final Adoption)**

(Board agenda page II-1)

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone and carried unanimously that the State Board of Education approve for second reading and final adoption the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.26, Award of Credit; and*

Make an affirmative finding that immediate adoption of proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.26, Award of Credit, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register, as recommended by the Committee on Instruction. (ATTACHMENT 7, page 29)

(Mrs. Bahorich and Mr. Maynard were absent for the vote.)

11. **Proposed Amendments to 19 TAC Chapter 117, Texas Essential Knowledge and Skills for Fine Arts, Subchapter C, High School, §117.312, Music, Level III (One Credit), Adopted 2013; §117.313, Music, Level IV (One Credit), Adopted 2013; and §117.314, Music Studies One Credit), Adopted 2013**

(Second Reading and Final Adoption)

(Board agenda page II-6)

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone and carried unanimously that the State Board of Education approve for second reading and final adoption proposed amendments to 19 TAC Chapter 117, Texas Essential Knowledge and Skills for Fine Arts, Subchapter C, High School, §117.312, Music, Level III (One Credit), Adopted 2013; §117.313, Music, Level IV (One Credit), Adopted 2013; and §117.314, Music Studies (One Credit), Adopted 2013; and*

Make an affirmative finding that immediate adoption of the proposed amendments to 19 TAC Chapter 117, Texas Essential Knowledge and Skills for Fine Arts, Subchapter C, High School, §117.312, Music, Level III (One Credit), Adopted 2013; §117.313, Music, Level IV (One Credit), Adopted 2013; and §117.314, Music Studies (One Credit), Adopted 2013, is necessary and shall have an effective date of August 1, vote.) 2020, as recommended by the Committee on Instruction. (ATTACHMENT 8, pg. 31)

(Mrs. Bahorich was absent for the vote.)

12. **Proposed Repeal of 19 TAC Chapter 110, Texas Essential Knowledge and Skills for English Language Arts and Reading, Subchapter C, High School, §§110.30-110.34, and Subchapter D, Other High School English Language Arts and Reading Courses, §110.85, and Chapter 128, Texas Essential Knowledge and Skills for Spanish Language Arts and Reading and English as a Second Language, Subchapter C, High School, §§128.30-128.32**
(First Reading and Filing Authorization)
(Board agenda page II-11)

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone and carried unanimously 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 repeal of 19 TAC Chapter 110, Texas Essential Knowledge and Skills for English Language Arts and Reading, Subchapter C, High School, §§110.30-110.34, and Subchapter D, Other High School English Language Arts and Reading Courses, §110.85, and Chapter 128, Texas Essential Knowledge and Skills for Spanish Language Arts and Reading and English as a Second Language, Subchapter C, High School, §§128.30-128.32, as recommended by the Committee on Instruction.

13. **Adoption of Review of 19 TAC Chapter 66, State Adoption and Distribution of Instructional Materials, Subchapter A, General Provisions, Subchapter B, State Adoption of Instructional Materials, and Subchapter C, Local Operations**
(Adoption of Review)
(Board agenda page II-14)

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone and carried unanimously that the State Board of Education adopt the review of 19 TAC Chapter 66, State Adoption and Distribution of Instructional Materials, Subchapter A, General Provisions, Subchapter B, State Adoption of Instructional Materials, and Subchapter C, Local Operations, as recommended by the Committee on Instruction.*

14. **Approval of Substitution of Instructional Materials for Origo Education**
(Board agenda page II-41)

The committee took no action; therefore, this item was removed from the agenda.

15. **Proposed Approval of Innovative Courses**
(Board agenda page II-42)

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone and carried unanimously that the State Board of Education approve for a period of five years the following innovative courses that do not fall within any of the subject areas of the foundation or enrichment curriculum: Advanced Placement Seminar, Advanced Placement Research, Gifted and Talented Interdisciplinary Studies/Mentor Seminar I-IV, Logic I, and Logic II, as recommended by the Committee on Instruction.*

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND

- 16. Proposed Repeal of 19 TAC Chapter 105, Foundation School Program, Subchapter B, Use of State Funds (First Reading and Filing Authorization)**
(Board agenda page III-1)

MOTION AND VOTE: *It was moved by Mr. Maynard and carried unanimously 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 repeal of 19 TAC Chapter 105, Foundation School Program, Subchapter B, Use of State Funds, as recommended by the Committee on School Finance/Permanent School Fund.

- 17. Proposed Amendments 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 (Second Reading and Final Adoption)**
(Board agenda page III-13)

MOTION AND VOTE: *It was moved by Mr. Maynard and carried unanimously that the State Board of Education approve for second reading and final adoption proposed amendments 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; and*

Make an affirmative finding that immediate adoption of proposed amendments 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, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register, as recommended by the Committee on School Finance/Permanent School Fund. (ATTACHMENT 9, page 33)

COMMITTEE ON SCHOOL INITIATIVES

- 18. Proposed Amendments to 19 TAC Chapter 61, School Districts, Subchapter A, Board of Trustees Relationship (Second Reading and Final Adoption)**
(Board agenda page IV-78)

MOTION: *It was moved by Mrs. Cargill that the State Board of Education approve for second reading and final adoption proposed amendments to 19 TAC Chapter 61, School Districts, Subchapter A, Board of Trustees Relationship; as substituted and recommended by the Committee on School Initiatives, and*

Make an affirmative finding that immediate adoption of the proposed amendments to 19 TAC Chapter 61, School Districts, Subchapter A, Board of Trustees Relationship, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register.

MOTION AND VOTE: *It was moved by Dr. Ellis, seconded by Mr. Cortez, and carried that the State Board of Education amend §61.1(b)(4)(F) to read:*

“The team-building session shall be provided by an ESC or a registered provider as described in subsection (c) of this section ~~an authorized provider as described in subsection (d) of this section.~~”

MOTION AND VOTE: *It was moved by Ms. Pérez and carried that the State Board of Education postpone further consideration of the motion until a later point in the meeting.*

MOTION AND VOTE: *It was moved by Mrs. Cargill, seconded by Ms. Perez-Diaz, and carried that the State Board of Education add new §61.1(m) to read:*

“(m) This section is implemented May 1, 2020. Section 61.1 as it read prior to adoption by the State Board of Education at their January 2020 hearing controls continuing education for school board members until May 1, 2020.”

VOTE: *A vote was taken on the original motion that the State Board of Education approve for second reading and final adoption proposed amendments to 19 TAC Chapter 61, School Districts, Subchapter A, Board of Trustees Relationship; as substituted and recommended by the Committee on School Initiatives, as amended and*

Make an affirmative finding that immediate adoption of the proposed amendments to 19 TAC Chapter 61, School Districts, Subchapter A, Board of Trustees Relationship, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register. The motion carried unanimously. (ATTACHMENT 10, page 47)

(Mr. Mercer was absent for the vote.)

19. Review of Proposed Amendments to 19 TAC Chapter 249, Disciplinary Proceedings, Sanctions, and Contested Cases, Subchapter B, Enforcement Actions and Guidelines
(Board agenda page IV-96)

MOTION AND VOTE: *It was moved by Mrs. Cargill and carried unanimously that the State Board of Education take no action on the proposed amendments to 19 TAC Chapter 249, Disciplinary Proceedings, Sanctions, and Contested Cases, Subchapter B, Enforcement Actions and Guidelines, as recommended by the Committee on School Initiatives.*

REGARDING AGENDA ITEMS POSTED FOR DISCUSSION ON COMMITTEE AGENDAS

Committee on Instruction

Mrs. Melton-Malone explained that the committee took no action to recommend approval of substitution of instructional materials for Origo Education because the publisher had not provided the necessary materials. She explained that the committee asked staff to research actions the committee and board can consider regarding this publisher at the April 2020 SBOE meeting.

Committee on School Finance/Permanent School Fund

Mr. Maynard provided updates related to the current value of the SBOE portion of the Permanent School Fund and the School Land Board (SLB) portion of the fund, the bond guarantee program including the charter school reserve fund, the legislatively created liquid fund, the third quarter performance report, and the release of the annual report. Mr. Maynard also announced that the Senate Finance Committee will have a hearing on February 25 that he and the SBOE chair will attend. Finally, he shared that the SBOE will hear from the state auditor’s office in April and a request has been made to meet with SLB in April.

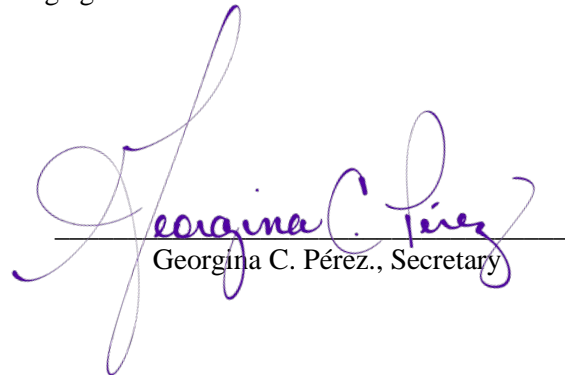
Committee on School Initiatives

Mrs. Cargill did not report on the Committee on School Initiatives.

REPORTS OF OTHER STATE BOARD OF EDUCATION MEMBERS REGARDING AGENDA ITEMS AND EDUCATIONAL ACTIVITIES AND CONCERNS IN INDIVIDUAL DISTRICTS

Dr. Ellis stated his intent to appoint two ad hoc committees, one to review the framework for school board governance and one to work with TEA, Texas Tech University, and The University of Texas at Austin on recommendations for governance of their special purpose districts. He then gave board members an opportunity to provide information regarding agenda items or other relevant information about public education. Brief reports were made.

The meeting adjourned at 2:08 p.m.



Georgina C. Pérez, Secretary

RESOLUTION

WHEREAS the *Presidential Awards for Excellence in Mathematics and Science Teaching* program identifies outstanding mathematics and science teachers in each state and the four U.S. jurisdictions; and

WHEREAS through state selection committees, three mathematics finalists and three science finalists were selected as Texas finalists; and

WHEREAS these teachers have become candidates for the *Presidential Awards for Excellence in Mathematics and Science Teaching*; now, therefore, be it

RESOLVED, That the State Board of Education does hereby extend its congratulations to Amy Edmondson, Willow Wood Junior High School, Tomball Independent School District, Tomball, Texas; Bridget Matamoros, John H. Guyer High School, Denton Independent School District, Denton, Texas; Brent Voorhees, Skyline High School, Dallas Independent School District, Dallas, Texas; for being named State Finalists in the secondary mathematics category for the 2019 Presidential Award; and be it further

RESOLVED, That the State Board of Education does hereby extend its congratulations to Kay Fincher, Amarillo High School, Amarillo Independent School District, Amarillo, Texas; Terry Snow, Aledo High School, Aledo Independent School District, Aledo, Texas; Markaela van Putten, Tomball High School, Tomball Independent School District, Tomball, Texas; for being named State Finalists in the secondary science category for the 2019 Presidential Award; and be it further

RESOLVED, That this resolution be presented to the aforementioned teachers for being identified as state and national finalists for the 2019 *Presidential Awards for Excellence in Mathematics and Science Teaching* program, and that a copy be included in the permanent records of the State Board of Education.

WITNESS our signatures this thirty-first day of January, two thousand and twenty, in Austin, Texas.

Dr. Keven Ellis, Chair

Georgina C. Pérez, Secretary

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RESOLUTION

WHEREAS the *Presidential Awards for Excellence in Mathematics and Science Teaching* program identifies outstanding mathematics and science teachers in each state and the four U.S. jurisdictions; and

WHEREAS through national selection committees, one mathematics finalist and one science finalist were selected to represent Texas; and

WHEREAS these teachers have become Texas national awardees for the *Presidential Awards for Excellence in Mathematics and Science Teaching*; now, therefore, be it

RESOLVED, That the State Board of Education does hereby extend its congratulations to Wanda “Jean” Streepey, Highland Park Middle School, Highland Park Independent School District, Dallas, Texas for being named Texas National Awardee in the secondary mathematics category for the 2017 Presidential Award; and be it further

RESOLVED, That the State Board of Education does hereby extend its congratulations to Dolores “Lollie” Garay, Redd School, Houston, Texas for being named Texas National Awardee in the secondary science category for the 2017 Presidential Award; and be it further

RESOLVED, That this resolution be presented to the aforementioned teachers for being identified as state and national awardees for the 2017 *Presidential Awards for Excellence in Mathematics and Science Teaching* program, and that a copy be included in the permanent records of the State Board of Education.

WITNESS our signatures this thirty-first day of January, two thousand and twenty, in Austin, Texas.

Keven Ellis, Chair

Georgina C. Pérez, Secretary

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RESOLUTION

WHEREAS the *Presidential Awards for Excellence in Mathematics and Science Teaching* program identifies outstanding mathematics and science teachers in each state and the four U.S. jurisdictions; and

WHEREAS through national selection committees, one mathematics finalist and one science finalist were selected to represent Texas; and

WHEREAS these teachers have become Texas national awardees for the *Presidential Awards for Excellence in Mathematics and Science Teaching*; now, therefore, be it

RESOLVED, That the State Board of Education does hereby extend its congratulations to Angelica Niño, Lorenzo De Zavala Elementary School, San Antonio Independent School District, San Antonio, Texas for being named Texas National Awardee in the elementary mathematics category for the 2018 Presidential Award; and be it further

RESOLVED, That the State Board of Education does hereby extend its congratulations to Brenda Williams, Argyle Intermediate School, Argyle Independent School District, Argyle, Texas for being named Texas National Awardee in the elementary science category for the 2018 Presidential Award; and be it further

RESOLVED, That this resolution be presented to the aforementioned teachers for being identified as state and national awardees for the 2018 *Presidential Awards for Excellence in Mathematics and Science Teaching* program, and that a copy be included in the permanent records of the State Board of Education.

WITNESS our signatures this thirty-first day of January, two thousand and twenty, in Austin, Texas.

Keven Ellis, Chair

Georgina C. Pérez, Secretary

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RESOLUTION

WHEREAS parents and employers play a key role in supporting public schools; and

WHEREAS mentoring children can have a lifelong impact on students' lives; and

WHEREAS the Texas Legislature recognized this important school-parent-business partnership when it directed the State Board of Education to create the Employers for Education Excellence award in 2007; and

WHEREAS Toyota of Boerne, the Haynes and Boone law firm, and Southwest Airlines are recipients of the 2019 Employers for Education Excellence gold level award for their extensive involvement with their communities' schools; and

WHEREAS Toyota of Boerne supports the Boerne Independent School District by providing auto parts and vehicles to the district's automotive; science, technology, engineering, and math classes; and FFA chapter and its employees have donated 300 hours of volunteer service; and

WHEREAS the Haynes and Boone law firm collaborates with Dallas ISD's L.G. Pinkston High School's law practicum, engages with students from middle school to college to increase the diversity of the legal profession, and supports a flexible environment that allows parents to participate in school activities; and

WHEREAS Southwest Airlines partners with North Dallas High School's P-Tech program, sponsors an Adopt-A-Pilot program that brings aviators into classrooms, offers employees the "freedom to flex" work hours so they can attend school events; and donates round-trip tickets to non-profit organizations for every 40 hours of volunteer time; and

WHEREAS the Dallas Fire-Rescue Department and Accenture are recipients of the silver level award for their student mentoring programs and volunteer activities; and

WHEREAS the Dallas Fire-Rescue Department works with Dallas ISD's P-Tech program, mentors students and sponsors a Fire-Rescue Explorers Troop in which student learn basic knowledge about the fire service, including emergency medical services; and

WHEREAS Accenture partners with Dallas ISD's P-Tech program at Seagoville High School and works with the Bridges from School to Work program to help prepare young people with disabilities for employment; and

WHEREAS Pricewaterhouse Coopers and Thomson Reuters are recognized as bronze award recipients for their family-and-school friendly volunteer policies; and

WHEREAS Pricewaterhouse Coopers assists with career development and mentoring activities in the James Madison High School P-Tech program in Dallas ISD and makes discretionary volunteer time available to employees, which can be used to support school activities; and

WHEREAS Thomson Reuters is a signature partner with Dallas ISD's P-Tech program where it actively engages in mentorship activities and provides grants to schools and other non-profit organizations when employees donate 20 or more hours of their time; and

WHEREAS school districts and charter schools that encourage parental and community involvement are vital components of this program; now therefore, be it

RESOLVED that the State Board of Education urges Texas businesses to look upon these seven Employers for Education Excellence award recipients as role models for civic engagement; and be it further

RESOLVED that the State Board of Education today awards Toyota of Boerne, Haynes and Boone, Southwest Airlines, Dallas Fire-Rescue Department, Accenture, Pricewaterhouse Coopers, and Thomson Reuters with the 2019 Employers for Education Excellence award for their generous and continuing support of Texas students and teachers.

WITNESS our signatures this thirty-first day of January, two thousand and twenty, in Austin, Texas.

Keven Ellis, Chair
State Board of Education

Georgina C. Pérez, Secretary
State Board of Education

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RESOLUTION

WHEREAS February 1-29, 2020, has been designated National Career and Technical Education Month; and

WHEREAS about 1,424,391 Texas secondary students are enrolled in one or more career and technical education (CTE) courses in 1,200 school districts and charter schools throughout the State; and

WHEREAS career and technical education offers students the opportunity to gain the academic, technical and employability skills necessary for true career readiness; and

WHEREAS students in career and technical education programs participate in authentic, meaningful experiences which improve the quality of their education by offering opportunities to apply academic knowledge and skills from across the curriculum; and

WHEREAS career and technical education is a vital and integral part of the Foundation High School Program, offering students pathways to earn recognized endorsements, performance acknowledgements and industry validated credentials; and

WHEREAS Texas is proud to support nine CTE student organizations – Business Professionals of America; the Texas Association of DECA; Educators Rising; Future Business Leaders of America; Family, Career and Community Leaders of America; the Texas FFA Association; Health Occupations Students of America; SkillsUSA; and Texas Technical Students of America; and

WHEREAS career and technical education programs prepare students for fulfilling careers by offering integrated programs of study that link secondary and postsecondary education and significantly contribute to college readiness; and

WHEREAS ensuring that employers have access to a qualified workforce is a crucial step in ensuring productivity among the business and industry communities as well as continued American economic growth and global competitiveness; now, therefore, be it

RESOLVED, That the State Board of Education, which has been designated by the Texas Legislature as the State Board for Career and Technical Education, does hereby proclaim February 1-29, 2020 as Career and Technical Education Month in Texas, and does hereby urge all Texans to become familiar with the outstanding curriculum delivered by exceptional career and technical education teachers in communities across the state, and to support and participate in these programs to enhance individual skills and productivity.

WITNESS our signatures this thirty-first day of January, two thousand and twenty, in Austin, Texas.

Keven Ellis, Chair

Georgina C. Pérez, Secretary

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**TEXAS PERMANENT SCHOOL FUND
SUMMARY OF TRANSACTIONS FOR APPROVAL
(Including External Manager's Trades)
For October 1, 2019 through November 30, 2019**

Purchases/Capital Calls:

Long Term Fixed Income	\$ 232,973,579
Public Market Equities	202,966,460
Alternative Investments	<u>320,941,314</u>
TOTAL	<u>\$ 756,881,353</u>

Sales/Distributions:

Long Term Fixed Income	\$ 325,099,633
Public Market Equities	272,530,215
Alternative Investments	<u>185,571,416</u>
TOTAL	<u>\$ 783,201,264</u>

General Land Office Contributions:

FY 2019 Cumulative November 2018	FY 2020 Cumulative November 2019
\$63,750,000	\$2,500,000

Based on the above information provided by staff including a report that deposits to the Permanent School Fund from the General Land Office were \$63,750,000 through November 2018 for fiscal year 2019 versus \$2,500,000 through November 2019 for fiscal year 2020, and the recommendation of the Executive Administrator and Chief Investment Officer and the Commissioner of Education; it is moved by unanimous consent that the Committee on School Finance/Permanent School Fund ratify for the months of October 2019 and November 2019 Permanent School Fund portfolio purchases of \$756,881,353 and sales of \$783,201,264.

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ATTACHMENT
Text of Proposed Amendment to 19 TAC

Chapter 74. Curriculum Requirements

Subchapter C. Other Provisions

§74.26. Award of Credit.

- (a) The award of credit for a course by a school district affirms that a student has satisfactorily met all state and local requirements. Any course for which credit is awarded must be provided according to this subsection.
- (1) Credit earned toward state graduation requirements by a student in an accredited school district shall be transferable and must be accepted by any other school district in the state. A district may not prohibit a new student from attending school pending receipt of transcripts or records from the school district the student previously attended. Credit earned in a local-credit course may be transferred only with the consent of the receiving school district.
- (2) A school district must ensure that the records or transcripts of an out-of-state or out-of-country transfer student (including foreign exchange students) or a transfer student from a Texas nonpublic school are evaluated and that the student is placed in appropriate classes promptly. The district may use a variety of methods to verify the content of courses for which a transfer student has earned credit.
- (b) Districts may offer courses designated for Grades 9-12 (refer to §74.11 of this title (relating to High School Graduation Requirements)) in earlier grade levels. A course must be considered completed and credit must be awarded if the student has demonstrated achievement by meeting the standard requirements of the course, including demonstrated proficiency in the subject matter, regardless of the time the student has received instruction in the course or the grade level at which proficiency was attained. The academic achievement record (transcript) shall reflect that students have satisfactorily completed courses at earlier grade levels than Grades 9-12 and have been awarded state graduation credits.
- (c) Credit for courses for high school graduation may be earned only if the student received a grade which is the equivalent of 70 on a scale of 100, based upon the essential knowledge and skills for each course.
- (d) In accordance with local district policy, students who are able to successfully complete only half of a ~~one semester of a two semester~~ course can be awarded credit proportionately.
- (e) A school district shall award credit proportionately to a student who is homeless or in substitute care who successfully completes only half of a ~~one semester of a two semester~~ course.

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ATTACHMENT
Text of Proposed Amendments to 19 TAC

Chapter 117. Texas Essential Knowledge and Skills for Fine Arts

Subchapter C. High School

§117.312. Music, Level III (One Credit), Adopted 2013.

- (a) General requirements. Students may fulfill fine arts and elective requirements for graduation by successfully completing one or more of the following music courses: Band III, Choir III, Orchestra III, Jazz Ensemble III, Jazz Improvisation III, Instrumental Ensemble III, Vocal Ensemble III, World Music Ensemble III, Applied Music III, Mariachi III, Piano III, Guitar III, ~~and~~ Harp III, International Baccalaureate (IB) Music Standard Level (SL), or IB Music Higher Level (HL) (one credit per course). The recommended prerequisite for IB Music SL is one credit in music. The prerequisite for all other Music, Level III music courses is one credit of Music, Level II in the corresponding discipline.
- (b)-(c) (No change.)

§117.313. Music, Level IV (One Credit), Adopted 2013.

- (a) General requirements. Students may fulfill fine arts and elective requirements for graduation by successfully completing one or more of the following music courses: Band IV, Choir IV, Orchestra IV, Jazz Ensemble IV, Jazz Improvisation IV, Instrumental Ensemble IV, Vocal Ensemble IV, World Music Ensemble IV, Applied Music IV, Mariachi IV, Piano IV, Guitar IV, ~~and~~ Harp IV, International Baccalaureate (IB) Music Standard Level (SL), or IB Music Higher Level (HL) (one credit per course). The prerequisite for all Music, Level IV courses is one credit of Music, Level III in the corresponding discipline.
- (b)-(c) (No change.)

§117.314. Music Studies (One Credit), Adopted 2013.

- (a) General requirements. Students may fulfill fine arts and elective requirements for graduation by successfully completing one or more of the following music courses: Music Theory I-II; Music Appreciation I-II; Music Business I-II; Music Composition I-II; Music Production I-II; Music and Media Communications I-II; or College Board Advanced Placement (AP) Music Theory [~~International Baccalaureate (IB) Music, Standard Level (SL); and IB Music, Higher Level (HL)~~]. There are no prerequisites for Music Study Level I courses [~~however, the prerequisite for IB Music, SL and IB Music, HL is one credit of any Music, Level II course~~]. Students may take Music Studies with different course content for a maximum of three credits.
- (b)-(c) (No change.)

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ATTACHMENT
Text of Proposed Amendments 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

§33.10. Purposes of Texas Permanent School Fund Assets and the Statement of Investment Policy.

- (a) The purpose of the Texas Permanent School Fund (PSF), as defined by the Texas Constitution, shall be to support and maintain an efficient system of public free schools. The State Board of Education (SBOE) views the PSF as a perpetual institution. Consistent with its perpetual nature, the PSF shall be an endowment fund with a long-term investment horizon. The SBOE shall strive to manage the PSF consistently with respect to the following: generating income for the benefit of the public free schools of Texas, the real growth of the corpus of the PSF, protecting capital, and balancing the needs of present and future generations of Texas school children. The PSF will strive to maintain intergenerational equity by attempting to pay out a constant distribution and maintain the value of assets per student after adjusting for inflation.
- (b) The purposes of the investment policy statement are to:
- (1) specify the investment objectives, policies, and guidelines the SBOE considers appropriate and prudent, considering the needs of the PSF, and to comply with the Texas Constitution by directing PSF assets;
 - (2) establish SBOE performance criteria for an investment manager;
 - (3) communicate the investment objectives, guidelines, and performance criteria to the SBOE, PSF investment staff and managers, and all other parties;
 - (4) guide the ongoing oversight of PSF investment and test compliance with the Texas Constitution and other applicable statutes;
 - (5) document that the SBOE is fulfilling its responsibilities for managing PSF investments solely in the interests of the PSF;
 - (6) document that the SBOE is fulfilling its responsibilities under Texas law; and
 - (7) provide transparency and accountability to the citizens of Texas.

§33.15. Objectives.

- (a) Investment objectives.
- (1) Investment objectives have been formulated based on the following considerations:
 - (A) the anticipated financial needs of the Texas public free school system in light of expected future contributions to the Texas Permanent School Fund (PSF);
 - (B) the need to preserve capital;
 - (C) the risk tolerance set by the State Board of Education (SBOE) and the need for diversification;
 - (D) observations about historical rates of return on various asset classes;
 - (E) assumptions about current and projected capital market and general economic conditions and expected levels of inflation;
 - (F) the need to maintain liquidity in the PSF Liquid Account;
 - (G) [~~(E)~~] the need to invest according to the prudent person rule; and

- ~~(H)~~ ~~(G)~~ the need to document investment objectives, guidelines, and performance standards.
- (2) Investment objectives represent desired results and are long-term in nature, covering typical market cycles of three to five years. Any shortfall in meeting the objectives should be explainable in terms of general economic and capital market conditions and asset allocation.
 - (3) The investment objectives are consistent with generally accepted standards of fiduciary responsibility.
 - (4) Under the provisions of this chapter, investment managers shall have discretion and authority to implement security selection and timing.
- (b) Goal and objectives for the PSF.
- (1) Goal. The goal of the SBOE for the PSF shall be to invest for the benefit of current and future generations of Texans consistent with the safety of principal, in light of the strategic asset allocation plan adopted. To achieve this goal, PSF investment shall be carefully administered at all times.
 - (2) Objectives.
 - (A) The preservation and safety of principal shall be a primary consideration in PSF investment.
 - (B) Fixed income securities shall be purchased at the highest total return consistent with the preservation and safety of principal.
 - (C) To the extent possible, the PSF management shall hedge against inflation.
 - (D) Securities, except investments for cash management purposes, shall be selected for investment on the basis of long-term investment merits rather than short-term gains.
- (c) Investment rate of return and risk objectives.
- (1) Because the education needs of the future generations of Texas school children are long-term in nature, the return objective of the PSF shall also be long-term and focused on fairly balancing the benefits between the current generation and future generations while preserving the real per capita value of the PSF.
 - (2) Investment rates of return shall adhere to the Chartered Financial Analyst (CFA) Institute Global Investment Performance Standards (GIPS) guidelines in calculating and reporting investment performance return information.
 - (3) The overall risk level of PSF assets in terms of potential for price fluctuation shall not be extreme and risk variances shall be acceptable in the context of the overall goals and objectives for the investment of the PSF assets. The primary means of achieving such a risk profile are:
 - (A) a broad diversification among asset classes that react as independently as possible through varying economic and market circumstances;
 - (B) careful control of risk level within each asset class by avoiding over-concentration and not taking extreme positions against the market indices; and
 - (C) a degree of emphasis on stable growth.
 - (4) Over time, the volatility of returns (or risk) for the total fund, as measured by standard deviation of investment returns, should be comparable to investments in market indices in the proportion in which the PSF invests.
 - (5) The rate of return objective of the total PSF fund shall be to earn, over time, an average annual total rate of return that meets or exceeds the rate of return of a composite benchmark index, consisting of representative benchmark indices for the asset classes in which the PSF is invested that are aggregated in proportion to the strategic target asset allocation of the total PSF fund as

determined by the SBOE, while maintaining an acceptable risk level compared to that of the composite benchmark index.

- (6) The rate of return objective of each asset class in which the PSF is invested, other than the short-term cash fund, shall be to earn, over time, an average annual average rate of return that meets or exceeds that of a representative benchmark index for such asset class in U.S. dollars, combining dividends, capital appreciation, income, and interest income, as applicable, while maintaining an acceptable risk level compared to that of the representative benchmark index.
- (7) The objective of the short-term cash fund shall be to provide liquidity for the timely payment of security transactions, while earning a competitive return. The expected return, over time, shall meet or exceed that of the representative benchmark index, while maintaining an acceptable risk level compared to that of the representative benchmark index.
- (8) The objective of the PSF Liquid Account shall be to maintain liquidity for the needs of the School Land Board while earning a competitive return. The expected return, over time, shall meet or exceed that of the representative benchmark index while maintaining an acceptable risk level compared to that of the representative benchmark index.
- (9) [8] Notwithstanding the risk parameters specified in paragraphs (4)-(6) of this subsection, consideration shall be given to marginal risk variances exceeding the representative benchmark indices if returns are commensurate with the risk levels of the respective portfolios.

(d) Asset allocation policy.

- (1) The SBOE shall adopt and implement a strategic asset allocation plan based on a well diversified, balanced investment approach that uses a broad range of asset classes indicated by the following characteristics of the PSF:
 - (A) the long-term nature of the PSF;
 - (B) the spending policy of the PSF;
 - (C) the relatively low liquidity requirements of the PSF;
 - (D) the investment preferences and risk tolerance of the SBOE;
 - (E) the liquidity mandates under the Texas Natural Resources Code, Chapter 51, Subchapter I;
 - (F) [4E] the rate of return objectives; and
 - (G) [4E] the diversification objectives of the PSF, specified in the Texas Constitution, Article VII, §5(d), the Texas Education Code, Chapter 43, and the provisions of this chapter.
- (2) The strategic asset allocation plan shall contain guideline percentages, at market value of the total fund's assets, to be invested in various asset classes. The guideline percentages will include both a target percentage and an acceptable strategic range for each asset class, recognizing that the target mix may not be attainable at a specific point in time since actual asset allocation will be dictated by current and anticipated market conditions, as well as the overall directions of the SBOE.
- (3) The SBOE Committee on School Finance/Permanent School Fund, with the advice of the PSF investment staff, shall review the provisions of this section at least annually and, as needed, rebalance the assets of the portfolio according to the asset allocation rebalancing procedure specified in the PSF Investment Procedures Manual. The SBOE Committee on School Finance/Permanent School Fund shall consider the industry diversification and the percentage allocation within the following asset classes:
 - (A) domestic equities;
 - (B) international equities;
 - (C) emerging market equities;
 - (D) domestic fixed income;

- (E) emerging market debt local currency;
 - (F) real estate;
 - (G) private equity;
 - (H) absolute return;
 - (I) real return;
 - (J) risk parity;
 - (K) cash; and
 - (L) other asset classes as approved by the SBOE.
- (4) To the extent practicable, investments shall not exceed the strategic ranges the SBOE establishes for each asset class, recognizing the inability to actively reduce allocations to certain asset classes.
 - (5) Periodically, the SBOE shall allocate segments of the total fund to each investment manager and specify guidelines, investment objectives, and standards of performance that apply to those assets.

§33.20. Responsible Parties and Their Duties.

- (a) The Texas Constitution, Article VII, §§1-8, ~~establish~~ establishes the Available School Fund, the Texas Permanent School Fund (PSF), and the State Board of Education (SBOE), and ~~specify~~ specifies the standard of care SBOE members must exercise in managing PSF assets. In addition, the constitution directs the legislature to establish suitable provisions for supporting and maintaining an efficient public free school system, defines the composition of the PSF and the Available School Fund, and requires the SBOE to set aside sufficient funds to provide free instructional materials for the use of children attending the public free schools of this state.
- (b) The Texas Natural Resources Code, Chapter 51, Subchapter I, creates the PSF Liquid Account within the PSF to be invested in liquid assets and managed by the SBOE in the same manner it manages the PSF.
- (c) ~~(b)~~ The SBOE shall be responsible for overseeing all aspects of the PSF and may contract with any of the following parties, whose duties and responsibilities are as follows.
 - (1) An external investment manager is a Person the SBOE retains by contract to manage and invest a portion of the PSF assets under specified guidelines.
 - (2) A custodian is an organization, normally a financial company, the SBOE retains to safe keep, and provide accurate and timely reports of, PSF assets.
 - (3) A consultant is a Person the SBOE retains to advise the SBOE on PSF matters based on professional expertise.
 - (4) Investment Counsel is a Person retained under criteria specified in the PSF Investment Procedures Manual to advise PSF investment staff and the SBOE Committee on School Finance/Permanent School Fund within the policy framework established by the SBOE. Investment Counsel may be assigned such tasks as asset allocation reviews, manager searches, performance analysis, recommendations on spending policy, performance reporting, and benchmarking and research related to the management of PSF assets, with any such assigned tasks to be performed in consultation with PSF staff.
 - (5) A performance measurement consultant is a Person retained to provide the SBOE Committee on School Finance/Permanent School Fund an analysis of the PSF portfolio performance. The outside portfolio performance measurement service firm shall perform the analysis on a quarterly or as-needed basis. Quarterly reports shall be distributed to each member of the SBOE Committee on School Finance/Permanent School Fund and Investment Counsel, and a representative of the firm shall be available as necessary to brief the committee.
 - (6) The State Auditor's Office is an independent state agency that performs an annual financial audit of the Texas Education Agency (TEA) at the direction of the Texas Legislature. The financial

audit, conducted according to generally accepted auditing standards, is designed to test compliance with generally accepted accounting principles. The state auditor performs tests of the transactions of the PSF Investment Office as part of this annual audit, including compliance with governing statutes and SBOE policies and directives. The TEA Internal Audit Division will participate in the audit process by participating in entrance and exit conferences, being provided copies of all reports and management letters furnished by the external auditor, and having access to the external auditor's audit programs and working papers.

- (7) The SBOE may retain independent external auditors to review the PSF accounts annually or on an as-needed basis. The TEA Internal Audit Division will participate in the audit process by participating in entrance and exit conferences, being provided copies of all reports and management letters furnished by the external auditor, and having access to the external auditor's audit programs and working papers.

(d) ~~(e)~~ The SBOE shall meet on a regular or as-needed basis to conduct the affairs of the PSF.

(e) ~~(d)~~ In case of emergency or urgent public necessity, the SBOE Committee on School Finance/Permanent School Fund or the SBOE, as appropriate, may hold an emergency meeting under the Texas Government Code, §551.045.

(f) ~~(e)~~ The SBOE shall have the following exclusive duties:

- (1) determining the strategic asset allocation mix between asset classes based on the attending economic conditions and the PSF goals and objectives including determining the separate asset allocation for the PSF Liquid Account based on the specific goals and objectives for investing the PSF Liquid Account ;
- (2) ratifying all investment transactions pertaining to the purchase, sale, or reinvestment of assets by all internal and external investment managers for the current reporting period;
- (3) appointing members to the SBOE Investment Advisory Committee;
- (4) approving the selection of, and all contracts with, external investment managers, financial advisors, Investment Counsel, financial or other consultants, or other external professionals retained to help the SBOE invest PSF assets;
- (5) approving the selection of, and the performance measurement contract with, a well-recognized and reputable firm retained to evaluate and analyze PSF investment results. The service shall compare investment results to the written investment objectives of the SBOE and also compare the investment of the PSF with the investment of other public and private funds against market indices and by managerial style;
- (6) setting policies, objectives, and guidelines for investing PSF assets; ~~and~~
- (7) submitting a list of six nominees for any vacant position on the School Land Board to the Texas Governor for consideration; and
- (8) ~~(7)~~ representing the PSF to the state.

(g) ~~(f)~~ The SBOE may establish committees to administer the affairs of the PSF. The duties and responsibilities of any committee established shall be specified in the PSF Investment Procedures Manual.

(h) ~~(g)~~ The PSF shall have an executive administrator, with a staff to be adjusted as necessary, who functions directly with the SBOE through the SBOE Committee on School Finance/Permanent School Fund concerning investment matters, and who functions as part of the internal operation under the commissioner of education. At all times, the PSF executive administrator and staff shall invest PSF assets as directed by the SBOE according to the Texas Constitution and all other applicable Texas statutes, as amended, and SBOE rules governing the operation of the PSF. The PSF staff shall:

- (1) administer the PSF, including investing and managing assets and contracting in connection therewith, according to SBOE goals and objectives;
- (2) execute all directives, policies, and procedures from the SBOE and the SBOE Committee on School Finance/Permanent School Fund;

- (3) keep records and provide a continuous and accurate accounting of all PSF transactions, revenues, and expenses and provide reports on the status of the PSF portfolio;
 - (4) advise any officials, investment firms, or other interested parties about the powers, limitations, and prohibitions regarding PSF investments that have been placed on the SBOE or PSF investment staff by statutes, attorney general opinions and court decisions, or by SBOE policies and operating procedures;
 - (5) continuously research all internally managed securities held by the PSF and report to the SBOE Committee on School Finance/Permanent School Fund and the SBOE any information requested, including reports and statistics on the PSF, for the purpose of administering the PSF;
 - (6) establish and maintain a procedures manual that implements this section to be approved by the SBOE;
 - (7) make recommendations regarding investment and policy matters to the SBOE Committee on School Finance/Permanent School Fund and the SBOE, except for formal recommendations for benchmarks for internally managed PSF asset classes, which duties the Committee will assign to an appropriate third party who will present such recommendations after consultation with PSF staff; and
 - (8) establish and maintain accounting policies and internal control procedures concerning all receipts, disbursements and investments of the PSF, according to the procedures adopted by the SBOE.
- (i) The SBOE delegates to the SBOE Committee on School Finance/Permanent School Fund, to which it has delegated certain powers and duties relating to the investment of the PSF, the responsibility of representing the SBOE at the joint annual meeting between the School Land Board and the SBOE under Texas Natural Resources Code, §32.0161. The chairs of the SBOE and the SBOE Committee on School Finance/Permanent School Fund shall be responsible for coordinating the joint annual meeting between the School Land Board and the SBOE.

§33.25. Permissible and Restricted Investments and General Guidelines for Investment Managers.

- (a) Permissible investments. Any investment that satisfies the prudence standard, is consistent with the Fund's investment policy and portfolio objectives, and is used in executing investment strategies approved by the State Board of Education (SBOE).
- (b) Prohibited transactions and restrictions. Except as provided in subsection (a) of this section or as approved or delegated by the SBOE, the following prohibited transactions and restrictions apply to all Texas Permanent School Fund (PSF) investment managers with respect to the investment or handling of PSF assets, except as otherwise noted:
 - (1) short sales of any kind except for U.S. Treasury futures for purposes of hedging fixed income portfolios ;
 - (2) purchasing letter or restricted stock;
 - (3) buying or selling on margin;
 - (4) engaging in purchasing or writing options or similar transactions;
 - ~~(5) purchasing or selling futures on commodities contracts;~~
 - (5) ~~(6)~~ borrowing by pledging or otherwise encumbering PSF assets;
 - (6) ~~(7)~~ purchasing the equity or debt securities of the PSF investment manager's own organization or an affiliated organization;
 - (7) ~~(8)~~ engaging in any purchasing transaction, after which the cumulative market value of common stock in a single corporation exceeds 2.5% of the PSF total market value or 5.0% of the manager's total portfolio market value;

- (8) ~~(9)~~ engaging in any purchasing transaction, after which the cumulative number of shares of common stock in a single corporation held by the PSF exceeds 5.0% of the outstanding voting stock of that issuer;
- (9) ~~(10)~~ engaging in any purchasing transaction, after which the cumulative market value of fixed income securities or cash equivalent securities in a single corporation (excluding the U.S. government, its federal agencies, and government sponsored enterprises) exceeds 2.5% of the PSF total market value or 5.0% of the investment manager's total portfolio market value with the PSF;
- (10) ~~(11)~~ purchasing tax exempt bonds;
- (11) ~~(12)~~ purchasing guaranteed investment contracts (GICs) from an insurance company or bank investment contracts (BICs) from a bank not rated at least AAA by Standard & Poor's or Moody's;
- (12) ~~(13)~~ purchasing any publicly traded fixed income security not rated investment grade by Standard & Poor's (BBB-), Moody's (Baa3), or Fitch (BBB-), subject to the provisions of the PSF Investment Procedures Manual and the following restrictions:
- (A) when ratings are provided by the three rating agencies, the middle rating shall be used;
 - (B) when ratings are provided by two ratings agencies, the lower rating is used; or
 - (C) when a rating is provided by one rating agency, the sole rating is used;
- (13) ~~(14)~~ purchasing short-term money market instruments rated below A-1 by Standard & Poor's or P-1 by Moody's;
- (14) ~~(15)~~ engaging in any transaction that results in unrelated business taxable income (excluding current holdings);
- (15) ~~(16)~~ engaging in any transaction considered a "prohibited transaction" under the Internal Revenue Code or the Employee Retirement Income Security Act (ERISA);
- (16) ~~(17)~~ purchasing precious metals or other commodities;
- (17) ~~(18)~~ engaging in any transaction that would leverage a manager's position;
- (18) ~~(19)~~ lending securities owned by the PSF, but held in custody by another party, such as a bank custodian, to any other party for any purpose, unless lending securities according to a separate written agreement the SBOE approved; and
- (19) ~~(20)~~ purchasing fixed income securities without a stated par value amount due at maturity.
- (c) General guidelines for investment managers.
- (1) Each investment manager retained to manage a portion of PSF assets shall be aware of, and operate within, the provisions of this chapter and all applicable Texas statutes.
 - (2) As fiduciaries of the PSF, investment managers shall discharge their duties solely in the interests of the PSF according to the prudent expert rule, engaging in activities that include the following.
 - (A) Diversification. Each manager's portfolio should be appropriately diversified within its applicable asset class.
 - (B) Securities trading.
 - (i) Each manager shall send copies of each transaction record to the PSF investment staff and custodians.
 - (ii) Each manager shall be required to reconcile the accounts under management on a monthly basis with the PSF investment staff and custodians.
 - (iii) Each manager shall be responsible for complying fully with PSF policies for trading securities and selecting brokerage firms, as specified in §33.40 of this title (relating to Trading and Brokerage Policy). In particular, the emphasis of security trading shall be on best execution; that is, the highest proceeds to the

PSF and the lowest costs, net of all transaction expenses. Placing orders shall be based on the financial viability of the brokerage firm and the assurance of prompt and efficient execution.

- (iv) The SBOE shall require each external manager to indemnify the PSF for all failed trades not due to the negligence of the PSF or its custodian in instances where the selection of the broker dealer is not in compliance with §33.40 of this title (relating to Trading and Brokerage Policy).

(C) Acknowledgments in writing.

- (i) Each external investment manager retained by the PSF must be a person, firm, or corporation registered as an investment adviser under the Investment Adviser Act of 1940, a bank as defined in the Act, or an insurance company qualified to do business in more than one state, and must acknowledge its fiduciary responsibility in writing. A firm registered with the Securities and Exchange Commission (SEC) must annually provide a copy of its Form ADV, Section II.
- (ii) The SBOE may require each external manager to obtain coverage for errors and omissions in an amount set by the SBOE, but the coverage shall be at least the greater of \$500,000 or 1.0% of the assets managed, not exceeding \$10 million. The coverage should be specific as to the assets of the PSF. The manager shall annually provide evidence in writing of the existence of the coverage.
- (iii) Each external manager may be required by the SBOE to obtain fidelity bonds, fiduciary liability insurance, or both.
- (iv) Each manager shall acknowledge in writing receiving a copy of, and agreeing to comply with, the provisions of this chapter.

(D) Discretionary investment authority. Subject to the provisions of this chapter, any investment manager of marketable securities or other investments, retained by the PSF, shall have full discretionary investment authority over the assets for which the manager is responsible. Specialist advisors and investment managers retained for alternative asset investments may have a varying degree of discretionary authority, which will be outlined in contract documentation.

(d) Reporting procedures for investment managers. The investment manager shall:

- (1) prepare a monthly and quarterly report for delivery to the SBOE, the SBOE Committee on School Finance/Permanent School Fund, and the PSF investment staff that shall include, in the appropriate format, items requested by the SBOE. The monthly reports shall briefly cover the firm's economic review; a review of recent and anticipated investment activity; a summary of major changes that have occurred in the investment markets and in the portfolio, particularly since the last report; and a summary of the key characteristics of the PSF portfolio. Quarterly reports shall comprehensively cover the same information as monthly reports but shall also include any changes in the firm's structure, professional team, or product offerings; a detail of the portfolio holdings; and transactions for the period. Periodically, the PSF investment staff shall provide the investment manager a detailed description of, and format for, these reports;
- (2) when requested by the SBOE Committee on School Finance/Permanent School Fund, make a presentation describing the professionals retained for the PSF, the investment process used for the PSF portfolio under the manager's responsibility, and any related issues;
- (3) when requested by the PSF investment staff, meet to discuss the management of the portfolio, new developments, and any related matters; and
- (4) implement a specific investment process for the PSF. The manager shall describe the process and its underlying philosophy in an attachment to its investment management agreement with the PSF and manage according to this process until the PSF and manager agree in writing to any change.

§33.30. Standards of Performance.

- (a) The State Board of Education (SBOE) Committee on School Finance/Permanent School Fund shall set and maintain performance standards for the total Texas Permanent School Fund (PSF) and separately for the PSF Liquid Account , for each asset class in which the assets of the PSF and the PSF Liquid Account are invested, and for all investment managers based on criteria that include the following:
 - (1) time horizon;
 - (2) real rate of return;
 - (3) representative benchmark index;
 - (4) volatility of returns (or risk), as measured by standard deviation; and
 - (5) universe comparison.
- (b) The SBOE Committee on School Finance/Permanent School Fund shall develop and implement the procedures necessary to establish and recommend to the SBOE the performance standards criteria.
- (c) Performance standards shall be included in the PSF Investment Procedures Manual.

§33.35. Guidelines for the Custodian and the Securities Lending Agent.

Completing custodial and security lending functions in an accurate and timely manner is necessary for effective investment management and accurate records.

- (1) A custodian shall have the following responsibilities regarding the segments of the funds for which the custodian is responsible.
 - (A) Provide complete custody and depository services for the designated accounts.
 - (B) Provide for investment of any cash on a daily basis to avoid uninvested amounts.
 - (C) Implement the investment actions in a timely and effective manner as directed by the investment managers.
 - (D) Collect all realizable income and principal and properly report the information on the periodic statements to the Texas Permanent School Fund (PSF) investment staff, the investment managers, or other appropriate parties.
 - (E) Provide monthly and annual accounting statements, as well as on-line, real-time accounting, that includes all transactions. Accounting shall be based on accurate security values for cost and market value and provided within a time frame acceptable to the State Board of Education (SBOE).
 - (F) Report to the PSF investment staff situations in which security pricing is either not possible or subject to considerable uncertainty.
 - (G) Distribute all proxy voting materials in a timely manner.
 - (H) Provide research and assistance to the SBOE and the PSF investment staff on all issues related to accounting and administration.
 - (I) Confirm that the depth of resources and personnel associated with the designated funds are comparable to those of the nation's leading custodial banks.
- (2) A securities lending agent for the PSF shall have the following responsibilities.
 - (A) Provide complete transaction reporting for the designated funds.
 - (B) Provide a monthly accounting, as well as on-line, real-time accounting for securities lending transactions, based on accurate security values.
 - (C) Report to the PSF investment staff any irregular situation that is outside the standard of practice for securities lending or inconsistent with the provisions of the securities lending agreement.

- (D) Implement a securities lending program for the PSF in a manner that does not impair any rights of the PSF by virtue of PSF ownership in securities.
- (E) As requested, provide research and assistance to the SBOE and the PSF investment staff on all issues related to accounting and administration.
- (F) Provide indemnification to the PSF satisfactory to the SBOE in the event of default on securities lending transactions.
- (G) Fully disclose all revenues and other fees associated with the securities lending program.
- (H) Comply with restrictions on types of securities lending transactions or eligible investments of cash collateral or any other restrictions imposed by the SBOE or the PSF investment staff. Unless the SBOE gives its written approval, the following guidelines apply to the PSF Securities Lending Program. Cash collateral reinvestment guidelines must meet the following standards.
 - (i) Permissible investments.
 - (I) U.S. Government and U.S. Agencies, under the following criteria:
 - (-a-) any security issued by or fully guaranteed as to payment of principal and interest by the U.S. Government or a U.S. Government Agency or sponsored Agency, and eligible for transfer via Federal Reserve Bank book entry, Depository Trust Company book entry, and/or Participants Trust Company book entry;
 - (-b-) maximum 397-day maturity on fixed rate;
 - (-c-) maximum three-year maturity on floating rate, with maximum reset period of 94 days and use a standard repricing index such as London InterBank Offered Rate (LIBOR), Federal Funds, Treasury Bills, or commercial paper; and
 - (-d-) no maximum dollar limit.
 - (II) Bank obligations, under the following criteria:
 - (-a-) time deposits with maximum 60-day maturity on fixed rate or three-year maturity for floating rate, with maximum reset period of 60 days and use a standard repricing index such as LIBOR, Federal Funds, Treasury Bills, or commercial paper;
 - (-b-) negotiable Certificates of Deposit with maximum 397-day maturity on fixed rate or three-year maturity for floating rate, with maximum reset period of 94 days and use a standard repricing index such as LIBOR, Federal Funds, Treasury Bills, or commercial paper;
 - (-c-) bank notes with maximum 397-day maturity on fixed rate or three-year maturity on floating rate, with maximum reset period of 94 days and use a standard repricing index such as LIBOR, Federal Funds, Treasury Bills, or commercial paper;
 - (-d-) bankers acceptances with maximum 45-day maturity;
 - (-e-) issued by banks with at least \$25 billion in assets and, for floating rate bank obligations with a maturity greater than 397 days, a long-term rating of AA2 and AA by Moody's Investor Service and Standard & Poor's Corporation at time of purchase; and, for fixed rate or floating rate bank obligations with a remaining maturity of 397 days or less, a short-term rating of "Tier 1" as defined in clause (ii)(IV) of this

subparagraph or, for such bank obligations without a short-term rating, an issuer rating of Tier 1. In addition, placements can be made in branches within the following countries:

- (-1-) Canada;
 - (-2-) France;
 - (-3-) United Kingdom; and
 - (-4-) United States; and
- (-f-) dollar limit maximum per institution of 5.0% of investment portfolio at time of purchase.
- (III) Commercial paper, under the following criteria:
- (-a-) dollar limit maximum per issuer of 5.0% of investment portfolio at time of purchase including any other obligations of that issuer as established in subclause (II)(-d-) of this clause. If backed 100% by bank Letter of Credit, then dollar limit is applied against the issuing bank;
 - (-b-) must be rated "Tier 1" as defined in clause (ii)(IV) of this subparagraph; and
 - (-c-) maximum 397-day maturity.
- (IV) Asset backed commercial paper, under the following criteria:
- (-a-) dollar limit maximum per issuer of 5.0% of investment portfolio;
 - (-b-) must be rated "Tier 1" as defined in clause (ii)(IV) of this subparagraph; and
 - (-c-) maximum 397-day maturity.
- (V) Asset backed securities, under the following criteria:
- (-a-) maximum 397-day weighted average life on fixed rate;
 - (-b-) maximum three-year weighted average life on floating rate, with maximum reset period of 94 days and use a standard repricing index such as LIBOR, Federal Funds, Treasury Bills, or commercial paper; and
 - (-c-) rated Aaa and AAA by Moody's Investor Service and Standard & Poor's Corporation at time of purchase. One AAA rating may suffice if only rated by one Nationally Recognized Securities Rating Organization (NRSRO).
- (VI) Corporate debt (other than commercial paper), under the following criteria:
- (-a-) must be senior debt;
 - (-b-) maximum 397-day maturity on fixed rate;
 - (-c-) maximum three-year maturity on floating rate, with maximum reset period of 94 days and use a standard repricing index such as LIBOR, Federal Funds, Treasury Bills, or commercial paper;
 - (-d-) for floating rate corporate obligations with a maturity greater than 397 days, a long-term rating of AA2 and AA by Moody's

Investor Service and Standard & Poor's Corporation at time of purchase; and, for fixed rate or floating rate corporate obligations with a remaining maturity of 397 days or less, a short-term rating of "Tier 1" as defined in clause (ii)(IV) of this subparagraph or, for such corporate obligations without a short-term rating, an issuer rating of Tier 1; and

- (-e-) dollar limit maximum per issuer of 5.0% of investment portfolio at time of purchase, including any other obligations of that issuer.
- (VII) Reverse repurchase agreements, under the following criteria:
- (-a-) counterparty must be "Tier 1" rated as defined in clause (ii)(IV) of this subparagraph for fixed rate and AA2 and AA by Moody's Investor Service and Standard & Poor's Corporation for floating rate or be a "Primary Dealer" in Government Securities as per the New York Federal Reserve Bank;
 - (-b-) underlying collateral may be any security permitted for direct investment;
 - (-c-) lending agent or a third party custodian must hold collateral under tri-party agreement;
 - (-d-) collateral must be marked to market daily and maintained at the following margin levels \pm [x]
 - (-1-) U.S. Government, U.S. Government Agency, sponsored Agency, International Organization at 100%;
 - (-2-) Certificate of Deposits, Bankers Acceptance, bank notes, commercial paper at 102% under one year to maturity and rated at least "Tier 1" as defined in clause (ii)(IV) of this subparagraph; and
 - (-3-) corporate debt (other than commercial paper) at 105% rated at least AA2/AA or better by Moody's Investor Service and Standard & Poor's Corporation at time of purchase;
 - (-e-) due to daily margin maintenance, dollar limits and maturity limits of underlying collateral are waived, except with respect to the maturity limit in subclause (II)(-d-) of this clause;
 - (-f-) maximum 180-day maturity; and
 - (-g-) dollar limit for total reverse repurchase agreements is the greater of \$300 million or 15% of value of cash collateral portfolio with one counterparty at time of purchase.
- (VIII) Foreign sovereign debt, under the following criteria:
- (-a-) any security issued by or fully guaranteed as to payment of principal and interest by a foreign government whose sovereign debt is rated AA2/AA or better by Moody's Investor Service and Standard & Poor's Corporation at time of purchase. Securities must be delivered to Lending Agent or a third party under a Tri-Party agreement;

- (-b-) dollar limit maximum per issuer or guarantor of 2.5% of investment portfolio; and
 - (-c-) maximum maturity of 397 days.
 - (IX) Short Term Investment Fund (STIF) and/or Registered Mutual Funds, under the following criteria:
 - (-a-) funds must comprise investments similar to those that would otherwise be approved for securities lending investment under the provisions of this subparagraph, not invest in derivatives, and not re-hypothecate assets;
 - (-b-) lender must approve each fund in writing and only upon receipt of offering documents and qualified letter; and
 - (-c-) fund must have an objective of a constant share price of one dollar.
- (ii) Investment parameters.
 - (I) Maximum weighted average maturity of investment portfolio must be 180 days.
 - (II) Maximum weighted average interest rate exposure of investment portfolio must be 60 days.
 - (III) All investments must be U.S. dollar-denominated.
 - (IV) "Tier 1" credit quality is defined as the highest short-term rating category by the following NRSROs:
 - (-a-) Standard & Poor's;
 - (-b-) Moody's Investors Service; and
 - (-c-) Fitch Investors Service; ~~[;and]~~
 - ~~[-d-) Duff & Phelps, LLC.]~~
 - (V) At time of purchase all investments must be rated in the highest short-term numerical category by at least two NRSROs, one of which must be either Standard & Poor's or Moody's Investors Service.
 - (VI) Issuer's ratings cannot be on negative credit watch at the time of purchase.
 - (VII) Interest and principal only (IO, PO) stripped mortgages are not permitted.
 - (VIII) Mortgage backed securities are not permitted.
 - (IX) Complex derivative or structured securities, including, but not limited to the following are not permitted:
 - (-a-) inverse floating rate notes;
 - (-b-) defined range floating rate notes;
 - (-c-) trigger notes; and
 - (-d-) set-up notes.
- (I) Provide a copy of the investment policy governing the custodian's securities lending program, as amended, to the PSF investment staff.
- (J) Confirm that the depth of resources and personnel associated with the designated funds are comparable to those of the nation's leading securities lending agents.

§33.60. Performance and Review Procedures.

As requested by the State Board of Education (SBOE) or Texas Permanent School Fund (PSF) investment staff, evaluation and periodic investment reports shall supply critical information on a continuing basis, such as the amount of trading activity, investment performance, cash positions, diversification ratios, rates of return, and other perspectives of the portfolios. The reports shall address compliance with investment policy guidelines.

- (1) Performance measurements. The SBOE Committee on School Finance/Permanent School Fund shall review the quarterly performance of each portfolio of the PSF in terms of the provisions of this chapter. The investment performance review shall include comparisons with representative benchmark indices, a broad universe of investment managers, and the consumer price index. A time-weighted return formula (which minimizes the effect of contributions and withdrawals) shall be used for investment return analysis. The review also may include quarterly performance analysis and comparisons of retained firms. The services of an outside, independent consulting firm that provides performance measurement and evaluation shall be retained.
- (2) Meeting and reports. Upon request, the SBOE Committee on School Finance/Permanent School Fund shall meet with the PSF investment managers and custodian to review their responsibilities, the PSF portfolio, and investment results in terms of the provisions of this chapter.
- (3) Reports to the School Land Board. Each quarter, the SBOE shall provide the School Land Board a financial report on the portion of the PSF assets and funds for which the SBOE is responsible in accordance with Texas Natural Resources Code, §43.0052.
- ~~(4)~~ ~~(3)~~ Review and modification of investment policy statement. The SBOE Committee on School Finance/Permanent School Fund shall review the provisions of this chapter at least once a year to determine if modifications are necessary or desirable. Upon approval by the SBOE, any modifications shall be promptly reported to all investment managers and other responsible parties.
- ~~(5)~~ ~~(4)~~ Compliance with this chapter and Texas statutes. Annually, the SBOE Committee on School Finance/Permanent School Fund shall confirm that the PSF and each of its managed portfolios have complied with the provisions of this chapter concerning exclusions imposed by the SBOE, proxy voting, and trading and brokerage selection.
- ~~(6)~~ ~~(5)~~ Significant events. The SBOE must be notified promptly if any of the following events occur within the custodian or external investment manager organizations:
 - (A) any event that is likely to adversely impact to a significant degree the management, professionalism, integrity, or financial position of the custodian or investment manager. A custodian must report the loss of an account of \$500 million or more. An investment manager must report the loss of an account of \$25 million or more;
 - (B) a loss of one or more key people;
 - (C) a significant change in investment philosophy;
 - (D) the addition of a new portfolio manager on the sponsor's account;
 - (E) a change in ownership or control, through any means, of the custodian or investment manager; or
 - (F) any violation of policy.

Text of Proposed Amendments to 19 TAC

Chapter 61. School Districts

Subchapter A. Board of Trustees Relationship

§61.1. Continuing Education for School Board Members.

- (a) Under the Texas Education Code (TEC), §11.159, the State Board of Education (SBOE) shall adopt a framework for governance leadership to be used in structuring continuing education for school board members. The framework shall be posted to the Texas Education Agency (TEA) website and shall be distributed annually by the president of each board of trustees to all current board members and the superintendent.
- (b) The continuing education required under the TEC, §11.159, applies to each member of an independent school district board of trustees. ~~[The continuing education requirement consists of orientation sessions, an annual team building session with the local board and the superintendent, and specified hours of continuing education based on identified needs. The superintendent's participation in team building sessions as part of the continuing education for board members shall represent one component of the superintendent's ongoing professional development.]~~
- (1) Each school board member of an independent school district shall complete ~~[receive]~~ a local district orientation ~~[and an orientation to the TEC]~~ .
- (A) The purpose of the local orientation is to familiarize new board members with local board policies and procedures and district goals and priorities.
- (B) A candidate for school board may complete the training up to one year before he or she is elected or appointed. A newly elected or appointed school board member who did not complete this training in the year preceding his or her election or appointment must complete the training within 120 calendar days after election or appointment.
- (C) The orientation shall be at least three hours in length.
- (D) The orientation shall address local district practices in the following, in addition to topics chosen by the local district:
- (i) curriculum and instruction;
- (ii) business and finance operations;
- (iii) district operations;
- (iv) superintendent evaluation; and
- (v) board member roles and responsibilities.
- (E) Each board member should be made aware of the continuing education requirements of this section and those of the following:
- (i) open meetings act in Texas Government Code, §551.005;
- (ii) public information act in Texas Government Code, §552.012; and
- (iii) cybersecurity in Texas Government Code, §2054.5191.
- (F) The orientation shall be open to any board member who chooses to attend.
- ~~[(A) Each new board member shall participate in a local district orientation session within one year before or 120 days after the board member's election or appointment. The purpose of the local orientation is to familiarize new board members with local board policies and procedures and district goals and priorities. The local district orientation shall be at least three hours in length for each new board member. Any sitting board member may attend~~

~~or participate in the local district orientation. The local district orientation shall address local district practices in the following, in addition to topics chosen by the local district:~~

~~[(i) — curriculum and instruction;]~~

~~[(ii) — business and finance operations;]~~

~~[(iii) — district operations;]~~

~~[(iv) — superintendent evaluation; and]~~

~~[(v) — board member roles and responsibilities.]~~

~~[(B) — A sitting board member shall receive a basic orientation to the TEC and relevant legal obligations. The orientation shall have special but not exclusive emphasis on statutory provisions related to governing Texas school districts. The orientation shall be delivered by regional education service centers (ESCs) and shall be no less than three hours in length. Topics shall include, but not be limited to, the TEC, Chapter 26 (Parental Rights and Responsibilities), and the TEC, §28.004 (Local School Health Advisory Council and Health Education Instruction). A newly elected or appointed board member of an independent school district shall receive the orientation to the TEC within the first 120 days of service. The orientation to the TEC shall be open to any sitting board member who chooses to attend.]~~

~~[(C) — After each session of the Texas Legislature, including each regular session and called session related to education, each school board member shall receive an update from an ESC or any registered provider to the basic orientation to the TEC. The update session shall be of sufficient length to familiarize board members with major changes in the code and other relevant legal developments related to school governance. A board member who has attended an ESC basic orientation session that incorporates the most recent legislative changes is not required to attend an update.]~~

~~(2) Each school board member of an independent school district shall complete a basic orientation to the TEC and relevant legal obligations.~~

~~(A) The orientation shall have special, but not exclusive, emphasis on statutory provisions related to governing Texas school districts.~~

~~(B) A candidate for school board may complete the training up to one year before he or she is elected or appointed. A newly elected or appointed school board member who did not complete this training in the year preceding his or her election or appointment must complete the training within 120 calendar days after election or appointment.~~

~~(C) The orientation shall be at least three hours in length.~~

~~(D) Topics shall include, but not be limited to, the TEC, Chapter 26 (Parental Rights and Responsibilities), and the TEC, §28.004 (Local School Health Advisory Council and Health Education Instruction).~~

~~(E) The orientation shall be provided by a regional education service center (ESC).~~

~~(F) The orientation shall be open to any board member who chooses to attend.~~

~~(G) The continuing education may be fulfilled through online instruction, provided that the training incorporates interactive activities that assess learning and provide feedback to the learner and offers an opportunity for interaction with the instructor.~~

~~(H) The ESC shall determine the clock hours of training credit to be awarded for successful completion of an online course and shall provide verification of completion as required in subsection (h) of this section.~~

~~(3) After each session of the Texas Legislature, including each regular session and called session related to education, each school board member shall complete an update to the basic orientation to the TEC.~~

- (A) The update session shall be of sufficient length to familiarize board members with major changes in statute and other relevant legal developments related to school governance.
 - (B) The update shall be provided by an ESC or a registered provider, as defined by subsection (c) of this section.
 - (C) A board member who has attended an ESC basic orientation session described in paragraph (2) of this subsection that incorporated the most recent legislative changes is not required to attend an update.
 - (D) The continuing education may be fulfilled through online instruction, provided that the training is designed and offered by a registered provider, incorporates interactive activities that assess learning and provide feedback to the learner, and offers an opportunity for interaction with the instructor.
 - (E) The ESC or registered provider shall determine the clock hours of training credit to be awarded for successful completion of an online course and shall provide verification of completion as required in subsection (h) of this section.
- (4) The entire board shall participate with their superintendent in a team-building session.
- (A) The purpose of the team-building session is to enhance the effectiveness of the board-superintendent team and to assess the continuing education needs of the board-superintendent team.
 - (B) The session shall be held annually.
 - (C) The session shall be at least three hours in length.
 - (D) The session shall include a review of the roles, rights, and responsibilities of a local board as outlined in the framework for governance leadership described in subsection (a) of this section.
 - (E) The assessment of needs shall be based on the framework for governance leadership described in subsection (a) of this section and shall be used to plan continuing education activities for the year for the governance leadership team.
 - (F) The team-building session shall be provided by an ~~ESC or a registered~~ authorized provider as described in subsection (c) ~~(d)~~ of this section.
 - (G) The superintendent's participation in team-building sessions as part of the continuing education for board members shall represent one component of the superintendent's ongoing professional development.
- ~~(2) The entire board, including all board members, shall annually participate with their superintendent in a team building session facilitated by the ESC or any registered provider. The team building session shall be at least three hours in length. The purpose of the team building session is to enhance the effectiveness of the board-superintendent team and to assess the continuing education needs of the board-superintendent team. The session shall include a review of the roles, rights, and responsibilities of a local board as outlined in the framework for governance leadership. The assessment of needs shall be based on the framework for governance leadership and shall be used to plan continuing education activities for the year for the governance leadership team.~~
- (5) ~~(3)~~ In addition to the continuing education requirements in paragraphs (1) through (4) ~~and (2)~~ of this subsection, each board member shall complete ~~receive~~ additional continuing education ~~on an annual basis in fulfillment of assessed needs and~~ based on the framework for governance leadership described in subsection (a) of this section . ~~The continuing education sessions may be provided by ESCs or other registered providers.~~
- (A) The purpose of continuing education is to address the continuing education needs referenced in paragraph (4) of this subsection.
 - (B) The continuing education shall be completed annually.

- (C) ~~(A)~~ In a board member's first year of service, he or she shall complete ~~[receive]~~ at least ten hours of continuing education in fulfillment of assessed needs. ~~[Up to five of the required ten hours may be fulfilled through online instruction, provided that the training is designed and offered by a registered provider, incorporates interactive activities that assess learning and provide feedback to the learner, and offers an opportunity for interaction with the instructor. The registered provider shall determine the clock hours of training credit to be awarded for successful completion of an online course and shall provide verification of completion as required in subsection (g) of this section.]~~
- (D) ~~(B)~~ Following a board member's first year of service, he or she shall complete ~~[receive]~~ at least five hours of continuing education annually in fulfillment of assessed needs. ~~[A board member may fulfill the five hours of continuing education through online instruction, provided that the training is designed and offered by a registered provider, incorporates interactive activities that assess learning and provide feedback to the learner, and offers an opportunity for interaction with the instructor. The registered provider shall determine the clock hours of training credit to be awarded for successful completion of an online course and shall provide verification of completion as required in subsection (g) of this section.]~~
- (E) ~~(C)~~ A board president shall complete ~~[receive]~~ continuing education related to leadership duties of a board president as some portion of the annual requirement.
- (F) At least 50% of the continuing education shall be designed and delivered by persons not employed or affiliated with the board member's local school district. No more than one hour of the required continuing education that is delivered by the local district may utilize self-instructional materials.
- (G) The continuing education shall be provided by an ESC or a registered provider, as defined by subsection (c) of this section.
- (H) The continuing education may be fulfilled through online instruction, provided that the training is designed and offered by a registered provider, incorporates interactive activities that assess learning and provide feedback to the learner, and offers an opportunity for interaction with the instructor.
- (I) The ESC or registered provider shall determine the clock hours of training credit to be awarded for successful completion of an online course and shall provide verification of completion as required in subsection (h) of this section.
- (6) ~~(4)~~ Each school board member shall complete continuing education ~~[every two years]~~ on evaluating student academic performance and setting individual campus goals for early childhood literacy and mathematics and college, career, and military readiness .
- (A) The purpose of the training on evaluating student academic performance is to provide research-based information to board members that is designed to support the oversight role of the board of trustees outlined in the TEC, §11.1515.
- (B) The purpose of the continuing education on setting individual campus goals for early childhood literacy and mathematics and college, career, and military readiness is to facilitate boards meeting the requirements of TEC, §11.185 and §11.186.
- (C) ~~(B)~~ A candidate for school board may complete the training up to one year before he or she ~~[the candidate]~~ is elected or appointed . A ~~[If a]~~ newly elected or appointed school board member who did not complete this training in the year preceding his or her ~~[the member's]~~ election or appointment ~~[, the member]~~ must complete the training within 120 calendar days after election or appointment. ~~[A returning board member shall complete the training by the second anniversary of the completion of the trustee's previous training.]~~
- (D) The continuing education shall be completed every two years.

- ~~(C)~~ ~~An authorized provider for training on evaluating student academic performance is a provider who is registered pursuant to subsection (f) of this section and has demonstrated proficiency in the content required by subsection (b)(4)(E) of this section. Proficiency may be demonstrated by completing a TEA approved train the trainer course and evaluation on the topic, by being certified as a Lone Star Governance coach, through a review of the provider's qualifications and course design, or through other means as determined by the commissioner of education.~~
- ~~(E)~~ ~~(D)~~ The training ~~[on evaluating student academic performance]~~ shall be at least three hours in length.
- ~~(F)~~ ~~(E)~~ The continuing education ~~[training]~~ required by this subsection shall include, at a minimum ~~[, the following]~~ :
- ~~(i)~~ instruction in school board behaviors correlated with ~~[to]~~ improved student outcomes with emphasis on : ~~[inputs, outcomes, and collaborative student outcome goal setting:]~~
 - ~~(I)~~ setting specific, quantifiable student outcome goals; and
 - ~~(II)~~ adopting plans to improve early literacy and numeracy and college, career, and military readiness for applicable student groups evaluated in the Closing the Gaps domain of the state accountability system established under TEC, Chapter 39;
 - ~~(ii)~~ instruction in progress monitoring ~~practices~~ to improve student outcomes ~~[with emphasis on progress monitoring practices, formative assessments, interim assessments, and summative assessments]~~ ; and
 - ~~(iii)~~ instruction in state accountability with emphasis on the Texas Essential Knowledge and Skills, state assessment instruments administered under the TEC, Chapter 39, and the state accountability ~~[rating]~~ system ~~established under the TEC, Chapter 39~~ .
- ~~(G)~~ The continuing education shall be provided by an authorized provider as defined by subsection (d) of this section.
- ~~(H)~~ ~~(F)~~ If the training is attended by an entire school board and its superintendent, includes a review of local school district data on student achievement, and otherwise meets the requirements of subsection (b)(4) ~~[(b)(2)]~~ of this section, the training may serve to meet a school board member's obligation to ~~complete~~ ~~[receive]~~ training under subsection (b)(4) and (6) ~~[(b)(2) and (4)]~~ of this section, as long as the training complies with the Texas Open Meetings Act.
- ~~(7)~~ ~~Each board member shall complete continuing education on identifying and reporting potential victims of sexual abuse, human trafficking, and other maltreatment of children in accordance with TEC, §11.159(c)(2).~~
- ~~(A)~~ A candidate for school board may complete the training up to one year before he or she is elected or appointed. A newly elected or appointed school board member who did not complete this training in the year preceding his or her election or appointment must complete the training within 120 calendar days after election or appointment.
 - ~~(B)~~ The training shall be completed every two years.
 - ~~(C)~~ The training shall be at least one hour in length.
 - ~~(D)~~ The training must familiarize board members with the requirements of TEC, §38.004 and §38.0041, and §61.1051 of this title (relating to Reporting Child Abuse or Neglect, Including Trafficking of a Child).
 - ~~(E)~~ The training required by this subsection shall include, at a minimum:

- (i) instruction in best practices of identifying potential victims of child abuse, human trafficking, and other maltreatment of children;
 - (ii) instruction in legal requirements to report potential victims of child abuse, human trafficking, and other maltreatment of children; and
 - (iii) instruction in resources and organizations that help support victims and prevent child abuse, human trafficking, and other maltreatment of children.
- (F) The training sessions shall be provided by a registered provider as defined by subsection (c) of this section.
- (G) This training may be completed online, provided that the training is designed and offered by a registered provider, incorporates interactive activities that assess learning and provide feedback to the learner, and offers an opportunity for interaction with the instructor.
- (H) The registered provider shall determine the clock hours of training credit to be awarded for successful completion of an online course and shall provide verification of completion as required in subsection (h) of this section.
- (c) For the purposes of this section, a registered provider has demonstrated proficiency in the content required for a specific training. A private or professional organization, school district, government agency, college/university, or private consultant shall register with the TEA to provide the board member continuing education required in subsection (b)(3), (5), and (7) of this section.
- (1) The registration process shall include documentation of the provider's training and/or expertise in the activities and areas covered in the framework for governance leadership.
 - (2) An updated registration shall be required of a provider of continuing education every three years.
 - (3) A school district that provides continuing education exclusively for its own board members is not required to register.
 - (4) An ESC is not required to register under this subsection.
- (d) An authorized provider meets all the requirements of a registered provider and has demonstrated proficiency in the content required in subsection (b)(4) and (6) of this section. Proficiency may be demonstrated by completing a TEA-approved train-the-trainer course that includes evaluation on the topics and following a review of the provider's qualifications and course design, or through other means as determined by the commissioner.
- (1) A private or professional organization, school district, government agency, college/university, or private consultant may be authorized by TEA to provide the board member training required in subsection (b)(4) and (6) of this section.
 - (2) An ESC shall be authorized by TEA to provide the board member training required in subsection (b)(4) and (6) of this section.
 - (3) The authorization process shall include documentation of the provider's training and/or expertise in the activities and areas covered in the framework for governance leadership.
 - (4) An updated authorization shall be required of a provider of training every three years.
- (e) ~~(e)~~ No continuing education shall take place during a school board meeting unless that meeting is called expressly for the delivery of board member continuing education. However, continuing education may take place prior to or after a legally called board meeting in accordance with the provisions of the Texas Government Code, §551.001(4).
- (f) ~~(d)~~ An ESC board member continuing education program shall be open to any interested person, including a current or prospective board member. A district is not responsible for any costs associated with individuals who are not current board members.

(g) ~~(e)~~ A registration fee shall be determined by ESCs to cover the costs of providing continuing education programs offered by ESCs.

~~(f) — A private or professional organization, school district, government agency, college/university, or private consultant shall register with the TEA to provide the board member continuing education required in subsection (b)(1)(C) and (2)-(4) of this section.]~~

~~(1) — The registration process shall include documentation of the provider's training and/or expertise in the activities and areas covered in the framework for governance leadership.]~~

~~(2) — An updated registration shall be required of a provider of continuing education every three years.]~~

~~(3) — A school district that provides continuing education exclusively for its own board members is not required to register.]~~

~~(4) — An ESC is not required to register under this subsection.]~~

(h) ~~(g)~~ For each training described in this section, the ~~The~~ provider of continuing education shall provide verification of completion of board member continuing education to the individual participant and to the participant's school district. The verification must include the provider's authorization or registration number.

~~(h) — At least 50% of the continuing education required in subsection (b)(3) of this section shall be designed and delivered by persons not employed or affiliated with the board member's local school district. No more than one hour of the required continuing education that is delivered by the local district may utilize self-instructional materials.]~~

(i) To the extent possible, the entire board shall participate in continuing education programs together.

(j) At the last regular meeting of the board of trustees before an election of trustees, the current president of each local board of trustees shall announce the name of each board member who has completed the required continuing education, who has exceeded the required hours of continuing education, and who is deficient in meeting the required continuing education as of the anniversary of the date of each board member's election or appointment to the board or two-year anniversary of his or her previous training, as applicable . The announcement shall state that completing the required continuing education is a basic obligation and expectation of any sitting board member under SBOE rule. The minutes of the last regular board meeting before an election of trustees must reflect whether each trustee has met or is deficient in meeting the training required for the trustee as of the first anniversary of the date of the trustee's election or appointment or two-year anniversary of his or her previous training, as applicable . The president shall cause the minutes of the local board to reflect the announcement and, if the minutes reflect that a trustee is deficient in training as of the anniversary of his or her joining the board, the district shall post the minutes on the district's Internet website within 10 business days of the meeting and maintain the posting until the trustee meets the requirements.

(k) Annually, the SBOE shall commend those local board-superintendent teams that complete ~~receive~~ at least eight hours of the continuing education specified in subsection (b)(4) and (5) ~~(b)(2) and (3)~~ of this section as an entire board-superintendent team.

(l) Annually, the SBOE shall commend local board-superintendent teams that effectively implement the commissioner's trustee improvement and evaluation tool developed under the TEC, §11.182, or any other tool approved by the commissioner.

(m) This section will be implemented May 1, 2020. This section as it read prior to adoption by the SBOE at its January 2020 meeting controls continuing education for school board members until May 1, 2020.

§61.2. Nomination of Trustees for Military Reservation School Districts and Boys Ranch Independent School District.

(a) In nominating trustee candidates for military reservation school districts, the commanding officer of the military reservation shall do the following:

(1) submit a list to the commissioner of education with at least one nominee ~~three nominees~~ for each vacancy. A majority of the trustees appointed to the school board must be civilian, and all may be

civilian. When two or more vacancies occur simultaneously, a list of at least one nominee [~~three different nominees~~] for each vacancy shall be submitted. In cases when the commanding officer wishes to reappoint existing board members, a list of at least one nominee [~~three nominees~~] for each vacancy must still be submitted. Nominees not selected for existing vacancies may be resubmitted as candidates for subsequent vacancies. The commanding officer may rank in the order of preference the nominees submitted for each vacancy;

- (2) submit a statement that verifies that each of the nominees is qualified under the general school laws of Texas and lives or is employed on the military reservation;
 - (3) submit a copy of a current biographical vita (resume) for each nominee [~~of the nominees~~], with a signature by the nominee attesting truth to the contents of the biographical vita;
 - (4) submit a statement from each nominee that [~~of the nominees which~~] expresses the nominee's willingness to accept appointment and to serve in such a capacity with full adherence to the state-established standards on the duties and responsibilities of school board members;
 - (5) submit a signed statement that [~~which~~] expresses recognition of the powers of the board of trustees to govern and manage the operations of the military reservation school districts;
 - (6) submit a signed statement regarding the governance and management operations of the district that [~~which~~] expresses recognition that the role of the commanding officer of the military reservation is limited only to the duty defined by statute in the process for appointing members of the board of trustees; and
 - (7) submit a statement that the membership composition of the entire board of trustees is in full compliance with the provisions of the Texas Education Code (TEC), §11.352.
- (b) In nominating trustee candidates for the Boys Ranch Independent School District (ISD), the president and chief executive officer of the Cal Farley's Boys Ranch shall do the following:
- (1) submit a name to the commissioner for each vacancy. When two or more vacancies occur simultaneously, a name for each vacancy shall be submitted. In cases when the president and chief executive officer wishes to reappoint existing board members, the name of the existing board member for each vacancy must still be submitted;
 - (2) submit a statement that verifies that each of the nominees is qualified under the general school laws of Texas;
 - (3) submit a copy of a current biographical vita (resume) for each of the nominees, with a signature by the nominee attesting truth to the contents of the biographical vita;
 - (4) submit a statement from each of the nominees that [~~which~~] expresses the nominee's willingness to accept appointment and to serve in such a capacity with full adherence to the state-established standards on the duties and responsibilities of school board members;
 - (5) submit a signed statement that [~~which~~] expresses recognition of the powers of the board of trustees to govern and manage the operations of the Boys Ranch ISD;
 - (6) submit a signed statement regarding the governance and management operations of the district that [~~which~~] expresses recognition that the role of the superintendent is in full compliance with the provisions of the TEC, §11.201; and
 - (7) submit a statement that the membership composition of the entire board of trustees is in full compliance with the provisions of the TEC, §11.352.
- (c) A member of a board of trustees appointed under the TEC, §11.352, and this section will serve a term of two years. A member of the board of trustees, who during the period of the term of office resigns from office or experiences a change of status that disqualifies such member for appointment under the provisions of the TEC, shall become ineligible to serve at the time of the change of status. A board vacancy resulting from such resignation or disqualification shall be filled in accordance with the procedures established under the TEC, §11.352, and this section.