

**Report of the State Board of Education
Committee of the Full Board
November 15, 2016**

The State Board of Education Committee of the Full Board met at 9:05 a.m. on Tuesday, November 15, 2016, in the State Board of Education Room, #1-104, of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas. The following members of the committee were present:

Presiding: Donna Bahorich, chair; Lawrence A. Allen, Jr.; Erika Beltran; Barbara Cargill; Ruben Cortez, Jr.; Martha M. Dominguez; Pat Hardy; Tom Maynard; Sue Melton-Malone; Ken Mercer; Geraldine “Tincy” Miller; Marisa B. Perez; Thomas Ratliff; Marty Rowley

Absent: David Bradley

Public Testimony

This item provides an opportunity for the public to present testimony at the time the related item comes up for committee discussion or action. The procedures for registering and taking public testimony at State Board of Education committee meetings and general board meetings are provided at [http://tea.texas.gov/About_TEA/Leadership/State Board of Education/SBOE Meetings/SBOE Operating Rules Amended 4-17-15/](http://tea.texas.gov/About_TEA/Leadership/State_Board_of_Education/SBOE_Meetings/SBOE_Operating_Rules_Amended_4-17-15/) or in the information section (yellow pages) of the agenda.

The Committee of the Full Board heard public testimony on agenda item #5. Information regarding the individuals who presented public testimony is included in the discussion of that item.

ACTION ITEM

1. Decision on the Percentage Distribution of the Permanent School Fund

(Board agenda page I-1)
[Official agenda item #3]

Holland Timmins, executive administrator and chief investment officer, presented an overview of the item and the most recent SBOE action to date, including the preliminary adoption of a 3.70% rate at the board’s September 2016 meeting. Mr. Timmins explained the spending impact and commented on the SBOE’s objective to strive to maintain intergenerational equity when setting the distribution rate.

Carlos Veintemillas, deputy chief investment officer, presented the PSF staff recommendation for a distribution rate of between 3.41% and 3.75%. He discussed the factors that were considered in determining an appropriate distribution rate for the fund as well as an analysis of the board’s goal to maintain intergenerational equity. He explained that the board has achieved intergenerational equity and should continue to do so with approval of a payout between 3.41% and 3.75%. At those rates, distributions would be expected to range between \$1.136 million and \$1.249 million annually, respectively.

Keith Stronkowsky, senior consultant with NEPC, the board's general investment counsel, explained the process by which they arrived at their recommendation and stated that the outcomes across various spending rates and economic environments led them to recommend a rate of up to 3.75%.

MOTION AND VOTE: *It was moved by Mr. Maynard, seconded by Ms. Hardy, and carried unanimously that the State Board of Education approve the percentage distribution rate to the Available School Fund from the Permanent School Fund for the 2018-2019 fiscal biennium of 3.70%. (Mr. Allen was absent for the vote.)*

CONSENT ITEM

2. Selection Process for the Long-Range Plan Steering Committee and Authorization to Explore Funding Options and Craft a Request for Qualifications

(Board agenda page I-5)
[Consent agenda item #(1)]

Mr. Rowley provided an update on the long-range planning process, including the appointment of an 18-member steering committee that includes five state board members, 10 members nominated by the remaining board members, and one representative each from the Texas Education Agency, the Texas Higher Education Coordinating Board and the Texas Workforce Commission.

MOTION AND VOTE: *It was moved by Mr. Rowley, seconded by Ms. Hardy, to recommend that the State Board of Education:*

- *approve a long-range plan steering committee selection process that: allows 10 board members to nominate three people each and grants the five board members serving on the steering committee the authority to select committee members from those nominees;*
- *authorizes board member Marty Rowley to work with staff to develop a Request for Qualifications for a project facilitator;*
- *grants board members the authority to explore funding options for the project; and*
- *delegates contract execution authority to the commissioner of education or his designee.*

ACTION ITEMS

3. Legislative Recommendations for the 85th Texas Legislature

(Board agenda page I-9)
[Official agenda item #4]

Julie Kopycinski, director of governmental relations, provided the committee with a handout covering the recommendations received from committee members. The committee members explained their individual recommendations and answered questions. The committee added three additional recommendations to the list. After discussion on the process, the members indicated their

top five recommendations on the handout. Staff will compile the results and provide the committee with a list of the top recommendations for action at the State Board of Education meeting on Friday, November 18, 2016.

4. *Proclamation 2018 of the State Board of Education Advertising for Bids for Instructional Materials*

(Board agenda page I-11)

[Official agenda item #5]

Kelly Callaway, senior director, instructional materials, explained that *Proclamation 2018*, if issued, will call for instructional materials covering ethnic studies to be used in Special Topics in Social Studies.

MOTION AND VOTE: *It was moved by Mr. Rowley and carried unanimously to recommend that the State Board of Education issue Proclamation 2018 of the State Board of Education advertising for bids for instructional materials for ethnic studies (such as African American studies and Mexican American studies) to be used in Special Topics in Social Studies.*

DISCUSSION ITEM

5. *Public Hearing on Instructional Materials Submitted in Response to Proclamation 2017*

(Board agenda page I-45)

Public/Invited testimony was provided by the following individuals:

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|--------------|--|
| NAME: | Cynthia Dunbar |
| AFFILIATION: | Momentum Instruction, LLC |
| NAME: | Emilio Zamora |
| AFFILIATION: | The University of Texas at Austin |
| NAME: | Christopher Carmona |
| AFFILIATION: | The University of Texas at Rio Grande Valley |
| NAME: | Trinidad Gonzales |
| AFFILIATION: | South Texas College |
| NAME: | Celina Moreno |
| AFFILIATION: | MALDEF |
| NAME: | Gregory Pulte |
| AFFILIATION: | Self |
| NAME: | Sharon Breckenridge Thomas
for Richard L. Mast, Jr. |
| AFFILIATION: | Liberty Counsel |
| NAME: | Tony Diaz |
| AFFILIATION: | Librotraficante |

NAME: Alejandra Garza
AFFILIATION: Self

NAME: Eduardo Rodriguez
AFFILIATION: Dr. Hector P. Garcia American GI Forum

NAME: Gabriela Olivares-Alvarado
AFFILIATION: Self

NAME: Ethan Martinez
AFFILIATION: Dr. Hector P. Garcia American GI Forum

NAME: Malcolm Moore
AFFILIATION: Dr. Hector P. Garcia American GI Forum

NAME: Patti Quinzi
AFFILIATION: Texas American Federation of Teachers

NAME: Jaime Puente
AFFILIATION: Texas Graduate Student Diversity

NAME: Leticia Gonzalez
AFFILIATION: Texas Association of Chicanos in Higher Education

NAME: Carolina Hernandez
AFFILIATION: Self

NAME: Margaret Wittenmyer
for Paige Duggins
AFFILIATION: Self

NAME: Claudia Macias
AFFILIATION: Nuestra Palabra

NAME: Juan Tejeda
AFFILIATION: Self

NAME: Alex Villegas
AFFILIATION: Nuestra Palabra

NAME: Zech Gonzales
AFFILIATION: Self

NAME: Angela Valenzuela
AFFILIATION: Self

NAME: Juan H. Flores
AFFILIATION: Self

NAME: Yolanda Robles
AFFILIATION: Texmex 38

NAME: Jane O'Brien
AFFILIATION: Self

NAME: Cain Trevino
AFFILIATION: Self

NAME: Deena Vera Claeys
AFFILIATION: Self

NAME: Maria Marcela Miguel
AFFILIATION: Self

NAME: Lori Beth Rodriguez
AFFILIATION: Self

NAME: Julia Echternach
AFFILIATION: Self

NAME: The Honorable Mary Gonzalez
AFFILIATION: Texas House

NAME: Katherine Miller
AFFILIATION: Texas Freedom Network

NAME: Kim Villarreal
AFFILIATION: Self

NAME: Georgina Perez
AFFILIATION: for Gary Bledsoe / Julian Vasquez-Heilig
Texas NAACP / California NAACP

NAME: Yvonne Dutchover Stull
AFFILIATION: Self

NAME: Valerie Martinez-Ebers
AFFILIATION: University of North Texas Latinos Mexican-American Studies Program

NAME: Minnie Wilson Sanchez
AFFILIATION: Self

Mrs. Bahorich adjourned the meeting at 6:14 p.m.