

AGENDA

State Board of Education

April 16, 2021

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

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

PAM LITTLE, Fairview
Vice Chair of the State Board of Education
District 12

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

Board Members

RUBEN CORTEZ, JR., Brownsville
District 2

AUDREY YOUNG, Apple Springs
District 8

MARISA PEREZ-DIAZ, Converse
District 3

TOM MAYNARD, Florence
District 10

LAWRENCE ALLEN, JR., Houston
District 4

PATRICIA HARDY, Fort Worth
District 11

REBECCA BELL-METEREAU
San Marcos, District 5

AICHA DAVIS, Dallas
District 13

WILL HICKMAN, Houston
District 6

SUE MELTON-MALONE, Robinson
District 14

MATT ROBINSON, Friendswood
District 7

JAY JOHNSON, Pampa
District 15

Committees of the State Board of Education
(updated January 26, 2021)

INSTRUCTION

Sue Melton-Malone, chair
Audrey Young, vice chair
Rebecca Bell-Metereau
Pam Little
Georgina Pérez

SCHOOL FINANCE/PERMANENT SCHOOL FUND

Tom Maynard, chair
Lawrence Allen, Jr., vice chair
Keven Ellis
Pat Hardy
Marisa Perez-Diaz

SCHOOL INITIATIVES

Matt Robinson, chair
Aicha Davis, vice chair
Ruben Cortez, Jr.
Will Hickman
Jay Johnson

April 13, 2021

State Board of Education
Austin, Texas

I certify that this is the official agenda of the State Board of Education for its meeting on April 13-16, 2021. Agenda items have been prepared and reviewed by Texas Education Agency staff and are presented for the board's discussion and consideration. Where appropriate, I have proposed an action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mike Morath', with a long horizontal flourish extending to the right.

Mike Morath
Commissioner of Education

**William B. Travis Building
1701 N. Congress Avenue, Austin, Texas**

SCHEDULE AND AGENDAS

**Committees and Board
State Board of Education, Austin, Texas**

Meeting Times April 13-16, 2021	
<u>Tuesday, April 13, 2021</u>	
1:00 p.m.	Committee of the Full Board (Room 1-104)
<u>Wednesday, April 14, 2021</u>	
9:00 a.m.	Committee of the Full Board (Room 1-104)
<u>Thursday, April 15, 2021</u>	
9:00 a.m.	Committee on Instruction (Room 1-100)
9:00 a.m.	Committee on School Finance/Permanent School Fund (Room 1-104)
9:00 a.m.	Committee on School Initiatives (Room 1-111)
<u>Friday, April 16, 2021</u>	
9:00 a.m.	General Meeting (Room 1-104)

If the Committee of the Full Board does not complete its agenda Tuesday, it will resume its meeting on Wednesday, Thursday, or Friday. If the Committee of the Full Board does not complete its agenda Wednesday, it will resume its meeting on Thursday or Friday. If the Committee on Instruction does not complete its meeting on Thursday, it will resume its meeting on Friday. If the Committee on School Finance/Permanent School Fund does not complete its agenda Thursday, it will resume its meeting on Friday. If the Committee on School Initiatives does not complete its agenda Thursday, it will resume its meeting on Friday.

NOTE: The chair may permit the board to take up and discuss any of the discussion items on a committee agenda, including hearing any invited presentations to a committee, based upon a recommendation from the committee or inability of the committee to complete its agenda on a preceding day.

The SBOE or a committee of the SBOE may conduct a closed meeting on any agenda item in accordance with Texas Open Meetings Act, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

The agenda is online at <https://tea.texas.gov/sboe/agenda/> on the Texas Education Agency website. The posted information contains links to board action items including rule items and rule text, and selected discussion items. Public comments on proposed rules may be submitted electronically. All agenda items and rule text are subject to change at any time prior to each board meeting. To the extent possible, copies of changes made after the agenda and the schedule are published will be available at the board meeting.

TUESDAY
April 13, 2021

1:00 p.m.

COMMITTEE OF THE FULL BOARD – Room 1-104

Public testimony – Individual testimony will be taken 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 <https://tea.texas.gov/about-tea/leadership/state-board-of-education/sboe-meetings/sboe-operating-rules> or in the information section of the agenda.

- 1. Public Hearing on Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §§112.47-112.51 (Board agenda page I-1)**

COMMITTEE – DISCUSSION
SBOE – NO ACTION

A public hearing before the State Board of Education (SBOE) is scheduled for Tuesday, April 13, 2021, in the William B. Travis Building, Room 1-104. Testimony will be presented regarding proposed new 19 Texas Administrative Code (TAC), Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §§112.47, Aquatic Science, Adopted 2021 (One Credit), 112.48, Astronomy, Adopted 2021 (One Credit), 112.49, Earth Science Systems, Adopted 2021 (One Credit), 112.50, Environmental Systems, Adopted 2021 (One Credit), and 112.51, Specialized Topics in Science, Adopted 2021 (One Credit). In accordance with SBOE operating procedures, oral testimony will be limited to two minutes per person. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(4); 28.002(a), (c), (j), and (n); and 28.025(a).

COMMITTEE OF THE FULL BOARD (continued)

2. **Public Hearing on Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §§112.2-112.7, and Subchapter B, Middle School, §§112.26-112.28 (Board agenda page I-3)**

**COMMITTEE – DISCUSSION
SBOE – NO ACTION**

A public hearing before the State Board of Education (SBOE) is scheduled for Tuesday, April 13, 2021, in the William B. Travis Building, Room 1-104. Testimony will be presented regarding proposed new 19 Texas Administrative Code (TAC), Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §§112.2, Science, Kindergarten, Adopted 2021, 112.3, Science, Grade 1, Adopted 2021, 112.4, Science, Grade 2, Adopted 2021, 112.5, Science, Grade 3, Adopted 2021, 112.6, Science, Grade 4, Adopted 2021, and 112.7, Science, Grade 5, Adopted 2021, and Subchapter B, Middle School, §§112.26, Science, Grade 6, Adopted 2021, 112.27, Science, Grade 7, Adopted 2021, 112.28, Science, Grade 8, Adopted 2021. In accordance with SBOE operating procedures, oral testimony will be limited to two minutes per person. Statutory authority is the Texas Education Code (TEC), §7.102(c)(4); §28.002(a), (c), and (j).

**WEDNESDAY
April 14, 2021**

9:00 a.m.

COMMITTEE OF THE FULL BOARD – Room 1-104

Public testimony – Individual testimony will be taken 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 <https://tea.texas.gov/about-tea/leadership/state-board-of-education/sboe-meetings/sboe-operating-rules> or in the information section of the agenda.

**1. Commissioner’s Comments
(Board agenda page I-5)**

**COMMITTEE - DISCUSSION
SBOE - NO ACTION**

This item provides an opportunity for the board to be briefed on current agenda items, agency operations, policy implementation, and public education-related legislation.

**2. Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §§112.46-112.51
(First Reading and Filing Authorization)
(Board agenda page I-6)**

**COMMITTEE - ACTION
SBOE - ACTION**

This item presents for first reading and filing authorization proposed new 19 Texas Administrative Code (TAC) Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §112.46, Implementation of Texas Essential Knowledge and Skills for Science, High School, Adopted 2021; §112.47, Aquatic Science, Adopted 2021 (One Credit); §112.48, Astronomy, Adopted 2021 (One Credit); §112.49, Earth Science Systems, Adopted 2021 (One Credit); §112.50, Environmental Systems, Adopted 2021 (One Credit); and §112.51, Specialized Topics in Science, Adopted 2021 (One Credit). The proposed new sections would update the standards to ensure they remain current. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(4); 28.002(a), (c), (j), and (n); and 28.025(a).

COMMITTEE OF THE FULL BOARD (continued)

- 3. Ratification of Amendments to *Proclamation 2022* of the State Board of Education Advertising for Bids on Instructional Materials**
(Board agenda page I-32)

**COMMITTEE - ACTION
SBOE - CONSENT**

This item provides an opportunity for the State Board of Education (SBOE) to ratify changes to the schedule of adoption procedures in *Proclamation 2022*, extending the deadline for submitting preliminary and final correlations, pre-adoption samples, and related deliverables and to allow publishers more time to create materials aligned to the newly revised Texas Essential Knowledge and Skills. *Proclamation 2022* calls for instructional materials for health and physical education. Statutory authority is the Texas Education Code (TEC), §31.022.

- 4. Ratification of Texas Essential Knowledge and Skills and Texas Prekindergarten Guidelines Coverage in Materials Submitted for the Texas Resource Review**
(Board agenda page I-35)

**COMMITTEE - ACTION
SBOE - CONSENT**

This item provides the opportunity for the State Board of Education (SBOE) to ratify the report from the Texas Essential Knowledge and Skills (TEKS) and Texas Prekindergarten Guidelines (TPG) review committees regarding materials that were submitted for the Texas Resource Review (TRR). This item presents the final report from the commissioner of education regarding the coverage of the TEKS and TPG. Statutory authority is the Texas Education Code (TEC), §31.081 and §31.082.

- 5. Update on Texas Essential Knowledge and Skills (TEKS) Review**
(Board agenda page I-45)

**COMMITTEE - ACTION
SBOE - ACTION**

This item provides the opportunity for staff to present an update on the review of the Texas Essential Knowledge and Skills (TEKS) and the English Language Proficiency Standards (ELPS) and for the board to provide additional guidance to TEKS and ELPS review work groups. The board will also have an opportunity to take action on the schedule for review and revision of the TEKS and the review and adoption cycle for instructional materials aligned to revised TEKS. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(4), 28.002(a) and (c), and 28.025(a).

COMMITTEE OF THE FULL BOARD (continued)

**6. Texas Certificate of High School Equivalency
(Board agenda page I-48)**

**COMMITTEE - ACTION
SBOE - ACTION**

This item provides the opportunity for staff to brief committee members on the responses to the Texas Certificate of High School Equivalency Request for Proposals (RFP) that was issued to solicit test providers relating to 19 Texas Administrative Code (TAC) Chapter 89, Texas Certificate of High School Equivalency and for the committee to approve recommended test provider(s). Statutory authority is the Texas Education Code (TEC), §7.111.

**7. Adoption of Review of 19 TAC Chapter 101,
Assessment, Subchapter A, General Provisions,
Subchapter B, Implementation of Assessments, and
Subchapter C, Local Option
(Adoption of Review)
(Board agenda page I-50)**

**COMMITTEE - ACTION
SBOE - CONSENT**

Texas Government Code (TGC), §2001.039, establishes a four-year rule review cycle for all state agency rules, including State Board of Education (SBOE) rules. This item presents the review of 19 Texas Administrative Code (TAC) Chapter 101, Assessment, Subchapter A, General Provisions, Subchapter B, Implementation of Assessments, and Subchapter C, Local Option. The rules being reviewed address the development and administration of tests, voluntary assessment of private school students, the schedule for the release of tests, and administration and reporting of group-administered achievement tests. Statutory authority for the rule review is TGC, §2001.039. Statutory authority for 19 TAC Chapter 101, Subchapters A-C, is Texas Education Code (TEC), §§39.021, 39.022, 39.023, 39.025, 39.032, and 39.033.

COMMITTEE OF THE FULL BOARD (continued)

8. **Discussion of Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §§112.2-112.7, and Subchapter B, Middle School, §§112.26-112.28 (Board agenda page I-56)**

**COMMITTEE - DISCUSSION
SBOE - NO ACTION**

This item provides an opportunity for the committee to discuss proposed new 19 Texas Administrative Code (TAC) Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §112.2, Science, Kindergarten, Adopted 2021; §112.3, Science, Grade 1, Adopted 2021; §112.4, Science, Grade 2, Adopted 2021; §112.5, Science, Grade 3, Adopted 2021; §112.6, Science, Grade 4, Adopted 2021; and §112.7, Science, Grade 5, Adopted 2021; and Subchapter B, Middle School, §112.26, Science, Grade 6, Adopted 2021; §112.27, Science, Grade 7, Adopted 2021; and §112.28, Science, Grade 8, Adopted 2021. The proposed new sections would update the standards to better align the content and ensure the standards remain current. Statutory authority is the Texas Education Code (TEC), §7.102(c)(4) and §28.002(a), (c), and (j).

9. **Discussion of Pending Litigation (Board agenda page I-58)**

**COMMITTEE - DISCUSSION
SBOE - NO ACTION**

The State Board of Education may enter into executive session in accordance with the Texas Government Code, §551.071(1)(A), to discuss pending and contemplated litigation with the general counsel, legal staff, and, if necessary, attorney(s) from the Attorney General's Office. The Committee of the Full Board will meet in Room 1-103 to discuss this item.

Cases to be discussed may include:

Tribune Company, No. 08-13141; *The Official Committee of Unsecured Creditors of Tribune Company v. Fitzsimmons, Adv. Pro.* No. 10-54010 (Bankr. D. Del); *Deutsche Bank v Bank of America*, No. 3:11-CV-01175-F (N. D. Tex., Dallas Div.) and *Deutsche Bank v. Employees Retirement Fund of the City of Dallas*, No. 3:11-CV-1167-F; (N. D. Tex. Dallas Div.) CONSOLIDATED in: *In re: Tribune Company Fraudulent Conveyance Litigation*; No. 11-MD-2296 *Consolidated Multidistrict Action (S.D.N.Y.)*; and

any other litigation arising after the date of posting or reasonably contemplated as of the date of the board meeting.

**THURSDAY
April 15, 2021**

9:00 a.m.

COMMITTEE ON INSTRUCTION – Room 1-100

Members: Sue Melton-Malone, chair; Audrey Young, vice chair; Rebecca Bell-Metereau; Pam Little; and Georgina C. Pérez. A quorum of the State Board of Education may attend the committee meeting and discuss items on the committee agenda.

Public testimony – Individual testimony will be taken 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

<https://tea.texas.gov/about-tea/leadership/state-board-of-education/sboe-meetings/sboe-operating-rules> or in the information section of the agenda.

- 1. Proposed Amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript)
(Second Reading and Final Adoption)
(Board agenda page II-1)**

**COMMITTEE - ACTION
SBOE - ACTION**

This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript). The proposed amendment would update the rule to require documentation of the new graduation requirement that a student complete and submit a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA). No changes are recommended since approved for first reading. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(13); 28.025(e); and 28.0256(a), as added by House Bill (HB) 3, 86th Texas Legislature, 2019.

COMMITTEE ON INSTRUCTION (continued)

2. **Proposed Repeal of 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter D, Other High School Mathematics Courses, §§111.56-111.59**
(First Reading and Filing Authorization)
(Board agenda page II-7)

COMMITTEE - ACTION
SBOE - ACTION

This item presents for first reading and filing authorization the proposed repeal of 19 Texas Administrative Code (TAC) Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter D, Other High School Mathematics Courses, §111.56, International Baccalaureate (IB) Mathematical Studies Standard Level (Two Credits); §111.57, International Baccalaureate (IB) Mathematics Standard Level (Two Credits); §111.58, International Baccalaureate (IB) Mathematics Higher Level (Two Credits); and §111.59, International Baccalaureate (IB) Further Mathematics Higher Level (Two Credits). The proposed repeal would eliminate, effective beginning with the 2021-2022 school year, courses that are no longer offered by the International Baccalaureate Organization. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(4), 28.002(a), and 28.025(a).

3. **Approval of Update to Instructional Materials for EDUSPARK, Inc.**
(Board agenda page II-11)

COMMITTEE - ACTION
SBOE - CONSENT

EDUSPARK, Inc. is requesting approval to update content in its adopted products *EDUSPARK PreK System* (English) and *Sistema EDUSPARK PreK* (Spanish). The updated content has been reviewed by curriculum subject-area specialists and determined to address the pertinent student expectations in a manner equal to the content initially reviewed and approved by the state review panel. Statutory authority is the Texas Education Code (TEC), §31.003 and §31.022.

COMMITTEE ON INSTRUCTION (continued)

- 4. Approval of Substitution of Instructional Materials for Cheng & Tsui Co., Inc.**
(Board agenda page II-12)

**COMMITTEE - ACTION
SBOE - CONSENT**

Cheng & Tsui Co, Inc. is requesting approval to substitute instructional materials in its adopted product *Integrated Chinese, Level 1*. The substituted content has been reviewed by curriculum subject-area specialists and determined to address the pertinent student expectations in a manner equal to the content initially reviewed and approved by the state review panel. Statutory authority is the Texas Education Code (TEC), §31.003 and §31.022.

- 5. Discussion Regarding Third-Party Materials in Instructional Materials Adopted by the State Board of Education**
(Board agenda page II-13)

**COMMITTEE - DISCUSSION
SBOE - NO ACTION**

This item provides the opportunity for the committee to discuss options regarding third-party materials included in instructional materials adopted by the State Board of Education (SBOE). Statutory authority is the Texas Education Code (TEC), §31.003 and §31.022.

- 6. Discussion of 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.28, Students with Dyslexia and Related Disorders**
(Board agenda page II-14)

**COMMITTEE - DISCUSSION
SBOE - NO ACTION**

This item provides an opportunity for the committee to discuss a potential proposed amendment to 19 Texas Administrative Code (TAC) Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.28, Students with Dyslexia and Related Disorders. The proposed amendment would update the *Dyslexia Handbook: Procedures Concerning Dyslexia and Related Disorders (Dyslexia Handbook)* adopted as Figure: 19 TAC §74.28(c) to clarify requirements related to dyslexia screening for students in Kindergarten and Grade 1. This item also provides an opportunity for the committee to consider correspondence from the U.S. Department of Education Office of Special Education Programs (OSEP). Statutory authority is the Texas Education Code (TEC), §7.102(c)(28) and §38.003(a) and (c).

THURSDAY
April 15, 2021
9:00 a.m.

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND – Room 1-104

Members: Tom Maynard, chair; Lawrence A. Allen, Jr., vice chair; Keven Ellis; Patricia Hardy; Marisa Perez-Diaz. A quorum of the State Board of Education may attend the committee meeting and discuss items on the committee agenda. A quorum of the Committee of Investment Advisors to the Permanent School Fund may attend the committee meeting and discuss items on the committee agenda.

Public testimony – Individual testimony will be taken 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 <https://tea.texas.gov/about-tea/leadership/state-board-of-education/sboe-meetings/sboe-operating-rules> or in the information section of the agenda.

- 1. Proposed Amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide (Second Reading and Final Adoption) (Board agenda page III-1)**

COMMITTEE – ACTION
SBOE - ACTION

This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide. The proposed amendment would adopt by reference the updated *Financial Accountability System Resource Guide* (FASRG). Statutory authority is the Texas Education Code (TEC), §§7.055(b)(32), 7.102(c)(32), 44.001(a) and (b), 44.007(a)-(d), and 44.008(b).

- 2. Discussion of Proposed Amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter B, Texas Education Agency Audit Functions, §109.25, State Compensatory Education Program Reporting and Auditing System (Board agenda page III-8)**

COMMITTEE - DISCUSSION
SBOE - NO ACTION

This item provides an opportunity for the committee to discuss a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 109, Budgeting, Accounting, and Auditing, Subchapter B, Texas Education Agency Audit Functions, §109.25, State Compensatory Education Program Reporting and Auditing System. The proposed amendment would update references to statutory citations that were renumbered by House Bill (HB) 3, 86th Texas Legislature, 2019. Statutory authority is the Texas Education Code (TEC), §48.104, as redesignated and amended by HB 3, 86th Texas Legislature, 2019.

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND (continued)

3. **Adoption of Review of 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions by Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract (Adoption of Review) (Board agenda page III-11)**

**COMMITTEE – ACTION
SBOE - ACTION**

Texas Government Code (TGC), §2001.039, establishes a four-year rule review cycle for all state agency rules, including State Board of Education (SBOE) rules. This item presents the adoption of review of 19 Texas Administrative Code (TAC) Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions by Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract. The rules being reviewed provide requirements for school districts relating to budgeting, accounting, financial reporting, and auditing; Texas Education Agency (TEA) financial review functions; adoption by reference of the *Financial Accountability System Resource Guide* (FASRG); and the bank bid and proposal forms and the depository contract and surety bond forms. Statutory authority for the rule review is TGC, §2001.039. Statutory authority for 19 TAC Chapter 109 is Texas Education Code (TEC), §§7.102(c)(32), 44.001, 44.002, 44.007, and 44.008, for Subchapter A; TEC, §§7.102(c)(32), 44.001, 44.007, 44.008, 44.010, and 48.104, for Subchapter B; TEC, §§7.055(b)(32), (36), and (37); 7.102(c)(32); 44.001; 44.007(a)-(d); and 44.008(b), for Subchapter C; and TEC, §§7.102(c)(34), 45.206, and 45.208, for Subchapter D.

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND (continued)

- 4. Proposed Repeal of 19 TAC Chapter 105, Foundation School Program, Subchapter A, Definitions, §105.1, Rules for the Definition of Tax Levy and Tax Collection (First Reading and Filing Authorization)
(Board agenda page III-61)**

**COMMITTEE – ACTION
SBOE - ACTION**

This item presents for first reading and filing authorization the proposed repeal of 19 Texas Administrative Code (TAC) Chapter 105, Foundation School Program, Subchapter A, Definitions, §105.1, Rules for the Definition of Tax Levy and Tax Collection. The proposed repeal would implement House Bill (HB) 3, 86th Texas Legislature, 2019, which removed the State Board of Education's (SBOE's) rulemaking authority related to the definitions of tax levy and tax collection for the Foundation School Program (FSP). Statutory authority is the Texas Education Code (TEC), §48.004, as transferred, redesignated, and amended by HB 3, 86th Texas Legislature, 2019.

- 5. Report by the State Auditor's Office on the Audit of the Permanent School Fund's Financial Statements and Certification of the Bond Guarantee Program for the Fiscal Year Ending August 31, 2020
(Board agenda page III-65)**

**COMMITTEE - DISCUSSION
SBOE - NO ACTION**

This item provides an opportunity for representatives of the State Auditor's Office (SAO) to make a presentation regarding the Audit of the Permanent School Fund's Financial Statements and the certification of the Bond Guarantee Program for the Fiscal Year Ending August 31, 2020. Statutory authority is the Texas Constitution, Article VII, §2 and §5; and Texas Education Code (TEC) §45.053(b).

- 6. Review of Permanent School Fund Securities Transactions and the Investment Portfolio
(Board agenda page III-66)**

**COMMITTEE - DISCUSSION
SBOE - NO ACTION**

Investment staff will report on the transactions executed during the months of December 2020, January 2021, and February 2021 in the investment portfolio of the Texas Permanent School Fund. Statutory authority is the Texas Constitution, Article VII, §2 and §5; and 19 Texas Administrative Code (TAC), Chapter 33.

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND (continued)

- 7. Ratification of the Purchases and Sales of the Investment Portfolio of the Permanent School Fund for the Months of December 2020, January 2021, and February 2021** **COMMITTEE - ACTION**
(Board agenda page III-67) **SBOE - CONSENT**

This item provides an opportunity for the committee and board to consider approval of the purchases and sales of investments executed in the portfolio of the Permanent School Fund (PSF) for the months of December 2020, January 2021, and February 2021. Statutory authority is the Texas Constitution, Article VII, §2 and §5; and 19 Texas Administrative Code (TAC), Chapter 33.

- 8. Report on the Permanent School Fund Liquid Account** **COMMITTEE - ACTION**
(Board agenda page III-68) **SBOE - CONSENT**

This item provides an opportunity for the committee and board to receive a status update report on the liquid account and ratify transactions. Statutory authority is the Texas Constitution, Article VII, §5 and §2; Natural Resources Code (NRC), §51.414; and 19 Texas Administrative Code (TAC), Chapter 33.

- 9. Adoption of an Annual Report on the Status of the Bond Guarantee Program** **COMMITTEE - ACTION**
(Board agenda page III-69) **SBOE - CONSENT**

This item provides an opportunity for the committee and board to adopt an annual report on the status of the Bond Guarantee Program. Statutory authority is the Texas Constitution, Article VII, §2 and §5; Texas Education Code (TEC), §45.053(c).

- 10. Fourth Quarter 2020 Permanent School Fund Performance Report** **COMMITTEE - DISCUSSION**
(Board agenda page III-70) **SBOE - NO ACTION**

The performance measurement consultant to the Permanent School Fund (PSF), BNY Mellon Asset Servicing, will report on the investment performance during the fourth calendar quarter 2020 and cumulative investment performance of the various portfolios of the PSF. This item provides the opportunity for the committee to discuss in depth various issues related to portfolio management such as risk characteristics of portfolios and portfolio attributes. Statutory authority is the Texas Constitution, Article VII, §5 and §2; and 19 Texas Administrative Code (TAC), Chapter 33.

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND (continued)

- 11. Review of the Core Fixed Income Asset Class for the Permanent School Fund** **COMMITTEE - DISCUSSION**
(Board agenda page III-71) **SBOE - NO ACTION**

This item provides an opportunity for the committee to review the core fixed income asset class of the Permanent School Fund (PSF). Statutory authority is the Texas Constitution, Article VII, §2 and §5; and 19 Texas Administrative Code (TAC), Chapter 33.

- 12. Approval of the Selection of a Firm(s) to Provide Investment Management for a Private Equity Emerging Manager Program and a Private Real Estate Emerging Manager Program for the Texas Permanent School Fund and the State Board of Education as outlined in Request for Proposal 701-21-001 and Authorization for Contract Execution by the Commissioner of Education** **COMMITTEE - ACTION**
(Board agenda page III-72) **SBOE - CONSENT**

This item provides an opportunity for the committee and board to approve the selection of a firm(s) to provide investment management for a Private Equity Emerging Manager Program and a Private Real Estate Emerging Manager Program for the Texas Permanent School Fund and the State Board of Education as outlined in RFP 701-21-001 and authorization for contract execution by the Commissioner of Education. Statutory authority is the Texas Constitution, Article VII, §2 and §5; and Texas Administrative Code (TAC), Chapter 33.

- 13. Review the Processes That Consider Board Member Nominees for State Board Positions** **COMMITTEE - ACTION**
(Board agenda page III-73) **SBOE - CONSENT**

This item provides an opportunity for the committee and board to review the processes that consider board member nominees for state board positions. Statutory authority is the Texas Constitution, Article VII, §5 and §2; and the Texas Education Code (TEC), §45.053(c).

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND (continued)

**14. Report of the Permanent School Fund Executive Administrator and Chief Investment Officer
(Board agenda page III-74)**

**COMMITTEE - DISCUSSION
SBOE - NO ACTION**

The Permanent School Fund (PSF) executive administrator will report to the committee on matters relating to the management of the PSF and the Charter District Reserve Fund. The report may present information on historical and current status of Fund holdings, current and proposed investment policies and procedures, and historical and current Fund performance and compliance. The administrator may update the board on the bond guarantee program, the status of requests for proposal, or for qualifications and current contracts for services and other administrative activities undertaken on behalf of the board. The administrator may provide an update on the PSF distribution or on the effect of legislation impacting the PSF. The administrator may provide an analysis of current and future investment market conditions, focusing upon the impact on the holdings of the PSF. Statutory authority is the Texas Constitution, Article VII, §5 and §2; and 19 Texas Administrative Code (TAC), Chapter 33.

THURSDAY
April 15, 2021

9:00 a.m.

COMMITTEE ON SCHOOL INITIATIVES – Room 1-111

Members: Matt Robinson, chair; Aicha Davis, vice chair; Ruben Cortez, Jr; Will Hickman; Jay Johnson. A quorum of the State Board of Education may attend the committee meeting and discuss items on the committee agenda.

Public testimony – Individual testimony will be taken 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 <https://tea.texas.gov/about-tea/leadership/state-board-of-education/sboe-meetings/sboe-operating-rules> or in the information section of the agenda.

- 1. Recommendation for Reappointments to the Randolph Field Independent School District Board of Trustees**
(Board agenda page IV-1)

COMMITTEE - ACTION
SBOE - CONSENT

This item provides an opportunity for the board to consider two reappointments to the board of trustees of Randolph Field Independent School District (ISD). The reappointments are necessary due to the expiration of the terms of office for two board members. Statutory authority is the Texas Education Code (TEC), §11.352, and Texas Administrative Code (TAC) 61.2.

- 2. Proposed New 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District**
(Second Reading and Final Adoption)
(Board agenda page IV-13)

COMMITTEE - ACTION
SBOE - ACTION

This item presents for second reading and final adoption proposed new 19 Texas Administrative Code (TAC) Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District. The proposed new rule would identify provisions of the Texas Education Code (TEC) that are not applicable to Boys Ranch Independent School District. No changes are recommended since approved for first reading. Statutory authority is the Texas Education Code (TEC), §11.351 and §11.352.

COMMITTEE ON SCHOOL INITIATIVES (continued)

- 3. Proposed Amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes**
(Second Reading and Final Adoption)
(Board agenda page IV-17)

COMMITTEE - ACTION
SBOE - ACTION

This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes. The proposed amendment would update the State Board of Education (SBOE) petition procedures to allow for electronic submission of a petition authorized under Texas Government Code (TGC), §2001.021. Statutory authority is the Texas Government Code (TGC), §2001.021.

- 4. Open-Enrollment Charter School Generation 26 Application Updates**
(Board agenda page IV-23)

COMMITTEE - DISCUSSION
SBOE - NO ACTION

The director of the Division of Charter School Authorizing and Administration will provide updates regarding the Generation Twenty-Six Open-Enrollment Charter Application cycle. Statutory authority is the Texas Education Code (TEC), §12.101.

- 5. Open-Enrollment Charter School Overview**
(Board agenda page IV-24)

COMMITTEE - DISCUSSION
SBOE - NO ACTION

The director of the Division of Charter School Authorizing and Administration will brief the new members of the committee on the various work of the charter division staff as it relates to the state-authorized charter school portfolio. Statutory authority is the Texas Education Code (TEC), §12.101.

COMMITTEE ON SCHOOL INITIATIVES (continued)

6. **Review of Proposed Amendments to 19 TAC Chapter 230, Professional Educator Preparation and Certification, Subchapter A, General Provisions, §230.1, Definitions (Board agenda page IV-25)**

**COMMITTEE - ACTION
SBOE - ACTION**

This item provides the State Board of Education (SBOE) an opportunity to review the State Board for Educator Certification (SBEC) rule actions that would make an amendment to 19 Texas Administrative Code (TAC) Chapter 230, Professional Educator Preparation and Certification, Subchapter A, General Provisions, §230.1, Definitions. The proposed amendment would update the definition of a *pilot exam* in §230.1(17) to indicate that the edTPA performance assessment pilot will be subject to review by the SBEC prior to September 1, 2022, rather than the original date of September 1, 2021. Statutory authority is the Texas Education Code (TEC), §§21.041(b)(1), (2), (4), and (c); 21.044(a); 21.048(a) and (a-1); 21.050; and 22.082.

Information Materials

1. **State Board of Education Operating Rules (amended January 26, 2021)**
Public testimony information begins on page V-8.
(Board agenda page V-1)

2. **Current Status of the Permanent School Fund**
(Board agenda page V-26)

3. **2017-2021 Rule Review Plan for State Board of Education Rules**
(Board agenda page V-27)

This item outlines the rule review plan for State Board of Education (SBOE) rules during the period of September 2017 through August 2021. Texas Government Code, §2001.039, requires an ongoing four-year rule review of existing state agency rules, including SBOE rules. The rule review requirement is designed to ensure that the reason for initially adopting or readopting a rule continues to exist.

OFFICIAL AGENDA

**STATE BOARD OF EDUCATION
AUSTIN, TEXAS**

**April 16, 2021
9:00 a.m.**

**William B. Travis Building, Room 1-104
1701 N. Congress Avenue**

Student Performance

Invocation

Pledge of Allegiance

Roll Call

Approval of Minutes

State Board of Education, January 26 & 29, 2021

1. Resolutions

Resolution honoring Blue Ribbon Schools

Public testimony – Individual testimony will be taken 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 <https://tea.texas.gov/about-tea/leadership/state-board-of-education/sboe-meetings/sboe-operating-rules> or in the information section of the agenda.

2. Approval of Consent Agenda

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

(Agenda Exhibit) 27

COMMITTEE OF THE FULL BOARD

3. Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §§112.46-112.51 (First Reading and Filing Authorization)

This item presents for first reading and filing authorization proposed new 19 Texas Administrative Code (TAC) Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §112.46, Implementation of Texas Essential Knowledge and Skills for Science, High School, Adopted 2021; §112.47, Aquatic Science, Adopted 2021 (One Credit); §112.48, Astronomy, Adopted 2021 (One Credit); §112.49, Earth Science Systems, Adopted 2021 (One Credit); §112.50, Environmental Systems, Adopted 2021 (One Credit); and §112.51, Specialized Topics in Science, Adopted 2021 (One Credit). The proposed new sections would update the standards to ensure they remain current. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(4); 28.002(a), (c), (j), and (n); and 28.025(a).

(Agenda Exhibit) I-6

4. Update on Texas Essential Knowledge and Skills (TEKS) Review

This item provides the opportunity for staff to present an update on the review of the Texas Essential Knowledge and Skills (TEKS) and the English Language Proficiency Standards (ELPS) and for the board to provide additional guidance to TEKS and ELPS review work groups. The board will also have an opportunity to take action on the schedule for review and revision of the TEKS and the review and adoption cycle for instructional materials aligned to revised TEKS. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(4), 28.002(a) and (c), and 28.025(a).

(Agenda Exhibit) I-45

5. Texas Certificate of High School Equivalency

This item provides the opportunity for staff to brief committee members on the responses to the Texas Certificate of High School Equivalency Request for Proposals (RFP) that was issued to solicit test providers relating to 19 Texas Administrative Code (TAC) Chapter 89, Texas Certificate of High School Equivalency and for the committee to approve recommended test provider(s). Statutory authority is the Texas Education Code (TEC), §7.111.

(Agenda Exhibit) I-48

COMMITTEE ON INSTRUCTION

- 6. **Proposed Amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript) (Second Reading and Final Adoption)**

This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript). The proposed amendment would update the rule to require documentation of the new graduation requirement that a student complete and submit a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA). No changes are recommended since approved for first reading. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(13); 28.025(e); and 28.0256(a), as added by House Bill (HB) 3, 86th Texas Legislature, 2019.

(Agenda Exhibit) II-1

- 7. **Proposed Repeal of 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter D, Other High School Mathematics Courses, §§111.56-111.59 (First Reading and Filing Authorization)**

This item presents for first reading and filing authorization the proposed repeal of 19 Texas Administrative Code (TAC) Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter D, Other High School Mathematics Courses, §111.56, International Baccalaureate (IB) Mathematical Studies Standard Level (Two Credits); §111.57, International Baccalaureate (IB) Mathematics Standard Level (Two Credits); §111.58, International Baccalaureate (IB) Mathematics Higher Level (Two Credits); and §111.59, International Baccalaureate (IB) Further Mathematics Higher Level (Two Credits). The proposed repeal would eliminate, effective beginning with the 2021-2022 school year, courses that are no longer offered by the International Baccalaureate Organization. Statutory authority is the Texas Education Code (TEC), §§7.102(c)(4), 28.002(a), and 28.025(a).

(Agenda Exhibit) II-7

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND

- 8. **Proposed Amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide (Second Reading and Final Adoption)**

This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide. The proposed amendment would adopt by reference the updated *Financial Accountability System Resource Guide* (FASRG). Statutory authority is the Texas Education Code (TEC), §§7.055(b)(32), 7.102(c)(32), 44.001(a) and (b), 44.007(a)-(d), and 44.008(b).

(Agenda Exhibit) III-1

9. **Adoption of Review of 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions by Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract (Adoption of Review)**

Texas Government Code (TGC), §2001.039, establishes a four-year rule review cycle for all state agency rules, including State Board of Education (SBOE) rules. This item presents the adoption of review of 19 Texas Administrative Code (TAC) Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions by Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract. The rules being reviewed provide requirements for school districts relating to budgeting, accounting, financial reporting, and auditing; Texas Education Agency (TEA) financial review functions; adoption by reference of the *Financial Accountability System Resource Guide* (FASRG); and the bank bid and proposal forms and the depository contract and surety bond forms. Statutory authority for the rule review is TGC, §2001.039. Statutory authority for 19 TAC Chapter 109 is Texas Education Code (TEC), §§7.102(c)(32), 44.001, 44.002, 44.007, and 44.008, for Subchapter A; TEC, §§7.102(c)(32), 44.001, 44.007, 44.008, 44.010, and 48.104, for Subchapter B; TEC, §§7.055(b)(32), (36), and (37); 7.102(c)(32); 44.001; 44.007(a)-(d); and 44.008(b), for Subchapter C; and TEC, §§7.102(c)(34), 45.206, and 45.208, for Subchapter D.

(Agenda Exhibit) III-11

10. **Proposed Repeal of 19 TAC Chapter 105, Foundation School Program, Subchapter A, Definitions, §105.1, Rules for the Definition of Tax Levy and Tax Collection (First Reading and Filing Authorization)**

This item presents for first reading and filing authorization the proposed repeal of 19 Texas Administrative Code (TAC) Chapter 105, Foundation School Program, Subchapter A, Definitions, §105.1, Rules for the Definition of Tax Levy and Tax Collection. The proposed repeal would implement House Bill (HB) 3, 86th Texas Legislature, 2019, which removed the State Board of Education's (SBOE's) rulemaking authority related to the definitions of tax levy and tax collection for the Foundation School Program (FSP). Statutory authority is the Texas Education Code (TEC), §48.004, as transferred, redesignated, and amended by HB 3, 86th Texas Legislature, 2019.

(Agenda Exhibit) III-61

COMMITTEE ON SCHOOL INITIATIVES

11. Proposed New 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District (Second Reading and Final Adoption)

This item presents for second reading and final adoption proposed new 19 Texas Administrative Code (TAC) Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District. The proposed new rule would identify provisions of the Texas Education Code (TEC) that are not applicable to Boys Ranch Independent School District. No changes are recommended since approved for first reading. Statutory authority is the Texas Education Code (TEC), §11.351 and §11.352.

(Agenda Exhibit) IV-13

12. Proposed Amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes (Second Reading and Final Adoption)

This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes. The proposed amendment would update the State Board of Education (SBOE) petition procedures to allow for electronic submission of a petition authorized under Texas Government Code (TGC), §2001.021. Statutory authority is the Texas Government Code (TGC), §2001.021.

(Agenda Exhibit) IV-17

13. Review of Proposed Amendments to 19 TAC Chapter 230, Professional Educator Preparation and Certification, Subchapter A, General Provisions, §230.1, Definitions

This item provides the State Board of Education (SBOE) an opportunity to review the State Board for Educator Certification (SBEC) rule actions that would make an amendment to 19 Texas Administrative Code (TAC) Chapter 230, Professional Educator Preparation and Certification, Subchapter A, General Provisions, §230.1, Definitions. The proposed amendment would update the definition of a *pilot exam* in §230.1(17) to indicate that the edTPA performance assessment pilot will be subject to review by the SBEC prior to September 1, 2022, rather than the original date of September 1, 2021. Statutory authority is the Texas Education Code (TEC), §§21.041(b)(1), (2), (4), and (c); 21.044(a); 21.048(a) and (a-1); 21.050; and 22.082.

(Agenda Exhibit) IV-25

REPORTS OF COMMITTEES REGARDING AGENDA ITEMS POSTED FOR DISCUSSION ON COMMITTEE AGENDAS

Committee chairs may provide an update about discussion items considered during the current meeting by any standing committee or ad hoc committee.

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

Members of the State Board of Education may present information regarding agenda items or other relevant information about public education.

Information Materials

1. **State Board of Education Operating Rules (amended January 26, 2021)**
Public testimony information begins on page V-8.
(Board agenda page V-1)

2. **Current Status of the Permanent School Fund**
(Board agenda page V-26)

3. **2017-2021 Rule Review Plan for State Board of Education Rules**
(Board agenda page V-27)

This item outlines the rule review plan for State Board of Education (SBOE) rules during the period of September 2017 through August 2021. Texas Government Code, §2001.039, requires an ongoing four-year rule review of existing state agency rules, including SBOE rules. The rule review requirement is designed to ensure that the reason for initially adopting or readopting a rule continues to exist.

**CONSENT AGENDA
STATE BOARD OF EDUCATION
April 16, 2021**

(1) Ratification of Amendments to *Proclamation 2022* of the State Board of Education Advertising for Bids on Instructional Materials

This item provides an opportunity for the State Board of Education (SBOE) to ratify changes to the schedule of adoption procedures in *Proclamation 2022*, extending the deadline for submitting preliminary and final correlations, pre-adoption samples, and related deliverables and to allow publishers more time to create materials aligned to the newly revised Texas Essential Knowledge and Skills. *Proclamation 2022* calls for instructional materials for health and physical education. Statutory authority is the Texas Education Code (TEC), §31.022.

(Agenda Exhibit) I-32

(2) Ratification of Texas Essential Knowledge and Skills and Texas Prekindergarten Guidelines Coverage in Materials Submitted for the Texas Resource Review

This item provides the opportunity for the State Board of Education (SBOE) to ratify the report from the Texas Essential Knowledge and Skills (TEKS) and Texas Prekindergarten Guidelines (TPG) review committees regarding materials that were submitted for the Texas Resource Review (TRR). This item presents the final report from the commissioner of education regarding the coverage of the TEKS and TPG. Statutory authority is the Texas Education Code (TEC), §31.081 and §31.082.

(Agenda Exhibit) I-35

**(3) Adoption of Review of 19 TAC Chapter 101, Assessment, Subchapter A, General Provisions, Subchapter B, Implementation of Assessments, and Subchapter C, Local Option
(Adoption of Review)**

Texas Government Code (TGC), §2001.039, establishes a four-year rule review cycle for all state agency rules, including State Board of Education (SBOE) rules. This item presents the review of 19 Texas Administrative Code (TAC) Chapter 101, Assessment, Subchapter A, General Provisions, Subchapter B, Implementation of Assessments, and Subchapter C, Local Option. The rules being reviewed address the development and administration of tests, voluntary assessment of private school students, the schedule for the release of tests, and administration and reporting of group-administered achievement tests. Statutory authority for the rule review is TGC, §2001.039. Statutory authority for 19 TAC Chapter 101, Subchapters A-C, is the Texas Education Code (TEC), §§39.021, 39.022, 39.023, 39.025, 39.032, and 39.033.

(Agenda Exhibit) I-50

(4) Approval of Update to Instructional Materials for EDUSPARK, Inc

EDUSPARK, Inc. is requesting approval to update content in its adopted products *EDUSPARK PreK System* (English) and *Sistema EDUSPARK PreK* (Spanish). The updated content has been reviewed by curriculum subject-area specialists and determined to address the pertinent student expectations in a manner equal to the content initially reviewed and approved by the state review panel. Statutory authority is the Texas Education Code (TEC), §31.003 and §31.022.

[\(Agenda Exhibit\)](#) II-11

(5) Approval of Substitution of Instructional Materials for Cheng & Tsui Co., Inc.

Cheng & Tsui Co, Inc. is requesting approval to substitute instructional materials in its adopted product *Integrated Chinese, Level 1*. The substituted content has been reviewed by curriculum subject-area specialists and determined to address the pertinent student expectations in a manner equal to the content initially reviewed and approved by the state review panel. Statutory authority is the Texas Education Code (TEC), §31.003 and §31.022.

[\(Agenda Exhibit\)](#) II-12

(6) Ratification of the Purchases and Sales of the Investment Portfolio of the Permanent School Fund for the Months of December 2020, January 2021, and February 2021

This item provides an opportunity for the committee and board to consider approval of the purchases and sales of investments executed in the portfolio of the Permanent School Fund (PSF) for the months of December 2020, January 2021, and February 2021. Statutory authority is the Texas Constitution, Article VII, §2 and §5; and 19 Texas Administrative Code (TAC), Chapter 33.

[\(Agenda Exhibit\)](#) III-67

(7) Report on the Permanent School Fund Liquid Account

This item provides an opportunity for the committee and board to receive a status update report on the liquid account and ratify transactions. Statutory authority is the Texas Constitution, Article VII, §5 and §2; Natural Resources Code (NRC), §51.414; and 19 Texas Administrative Code (TAC), Chapter 33.

[\(Agenda Exhibit\)](#) III-68

(8) Adoption of an Annual Report on the Status of the Bond Guarantee Program

This item provides an opportunity for the committee and board to adopt an annual report on the status of the Bond Guarantee Program. Statutory authority is the Texas Constitution, Article VII, §2 and §5; Texas Education Code (TEC), §45.053(c).

[\(Agenda Exhibit\)](#) III-69

(9) Approval of the Selection of a Firm(s) to Provide Investment Management for a Private Equity Emerging Manager Program and a Private Real Estate Emerging Manager Program for the Texas Permanent School Fund and the State Board of Education as outlined in Request for Proposal 701-21-001 and Authorization for Contract Execution by the Commissioner of Education

This item provides an opportunity for the committee and board to approve the selection of a firm(s) to provide investment management for a Private Equity Emerging Manager Program and a Private Real Estate Emerging Manager Program for the Texas Permanent School Fund and the State Board of Education as outlined in RFP 701-21-001 and authorization for contract execution by the Commissioner of Education. Statutory authority is the Texas Constitution, Article VII, §2 and §5; and Texas Administrative Code (TAC), Chapter 33.

[\(Agenda Exhibit\)](#) III-72

(10) Review the Processes That Consider Board Member Nominees for State Board Positions

This item provides an opportunity for the committee and board to review the processes that consider board member nominees for state board positions. Statutory authority is the Texas Constitution, Article VII, §5 and §2; and the Texas Education Code (TEC), §45.053(c).

[\(Agenda Exhibit\)](#) III-73

(11) Recommendation for Reappointments to the Randolph Field Independent School District Board of Trustees

This item provides an opportunity for the board to consider two reappointments to the board of trustees of Randolph Field Independent School District (ISD). The reappointments are necessary due to the expiration of the terms of office for two board members. Statutory authority is the Texas Education Code (TEC), §11.352, and Texas Administrative Code (TAC) 61.2.

[\(Agenda Exhibit\)](#) IV-1

COMMITTEE OF THE FULL BOARD

Public Hearing on Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §§112.47-112.51

April 13, 2021

**COMMITTEE OF THE FULL BOARD: DISCUSSION
STATE BOARD OF EDUCATION: NO ACTION**

SUMMARY: A public hearing before the State Board of Education (SBOE) is scheduled for Tuesday, April 13, 2021, in the William B. Travis Building, Room 1-104. Testimony will be presented regarding proposed new 19 Texas Administrative Code (TAC), Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §§112.47, Aquatic Science, Adopted 2021 (One Credit), 112.48, Astronomy, Adopted 2021 (One Credit), 112.49, Earth Science Systems, Adopted 2021 (One Credit), 112.50, Environmental Systems, Adopted 2021 (One Credit), and 112.51, Specialized Topics in Science, Adopted 2021 (One Credit). In accordance with SBOE operating procedures, oral testimony will be limited to two minutes per person.

STATUTORY AUTHORITY: Texas Education Code (TEC), §§7.102(c)(4); 28.002(a), (c), (j), and (n); and 28.025(a).

TEC, §7.102(c)(4), requires the SBOE to establish curriculum and graduation requirements.

TEC, §28.002(a), identifies the subjects of the required curriculum.

TEC, §28.002(c), requires the SBOE to by rule identify the essential knowledge and skills of each subject in the required curriculum that all students should be able to demonstrate and that will be used in evaluating instructional materials and addressed on the state assessment instruments.

TEC, §28.002(j), allows the SBOE to require laboratory instruction in secondary science courses and require a specific amount or percentage of time in a secondary science course that must be laboratory instruction.

TEC, §28.002(n), allows the SBOE to by rule develop and implement a plan designed to incorporate foundation curriculum requirements into the career and technical education curriculum required in TEC, §28.002.

TEC, §28.025(a), requires the SBOE to by rule determine the curriculum requirements for the foundation high school graduation program that are consistent with the required curriculum under TEC, §28.002.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: In accordance with statutory requirements that the SBOE by rule identify the essential knowledge and skills of each subject in the required curriculum, the SBOE follows a board-approved cycle to review and revise the essential knowledge and skills for each subject.

At the September 2019 meeting, SBOE members were asked to designate content advisors for the review and revision of the science Texas Essential Knowledge and Skills (TEKS). In December 2019, applications to serve on science TEKS review work groups were posted on the Texas Education Agency

(TEA) website. Additionally in December 2019, TEA distributed a survey to collect information from educators regarding the review and revision of the science TEKS. TEA staff provided applications for the science review work groups to SBOE members on a monthly basis from December 2019 to June 2020 and in September, October, and December 2020. At the January 2020 SBOE meeting, the SBOE provided specific guidance for the TEKS review work groups.

Also in January 2020, science TEKS review content advisors met in a face-to-face meeting to develop consensus recommendations regarding revisions to the science TEKS to share with future work groups. At that time, the content advisors met with representatives from Work Group A to discuss the consensus recommendations. Work Group A convened in February 2020 to review survey results, content advisor consensus recommendations, and the SBOE's guidance to work groups to develop recommendations for how science TEKS review work groups can address these areas. Work Group B was convened virtually in June 2020 to develop recommendations for four high school science courses: Biology, Chemistry, Integrated Physics and Chemistry, and Physics. In November 2020, the SBOE approved for second reading and final adoption proposed new 19 TAC §§112.41-112.45 for implementation beginning in the 2023-2024 school year.

Work Group C convened for a series of virtual meetings between August and November 2020 to develop recommendations for the middle school science TEKS. Work Group D was convened for monthly meetings from November 2020 – February 2021 to develop recommendations for TEKS for five high school science courses: Aquatic Science, Astronomy, Earth and Space Science, Environmental Systems, and a new course in Independent Study in Science.

Proposed new 19 TAC §§112.47-112.51 is presented for first reading and filing authorization as a separate item in this agenda.

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services
Shelly Ramos, Senior Director, Curriculum Standards and Student Support

Public Hearing on Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §§112.2-112.7, and Subchapter B, Middle School, §§112.26-112.28

April 13, 2021

**COMMITTEE OF THE FULL BOARD: DISCUSSION
STATE BOARD OF EDUCATION: NO ACTION**

SUMMARY: A public hearing before the State Board of Education (SBOE) is scheduled for Tuesday, April 13, 2021, in the William B. Travis Building, Room 1-104. Testimony will be presented regarding proposed new 19 Texas Administrative Code (TAC), Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §§112.2, Science, Kindergarten, Adopted 2021, 112.3, Science, Grade 1, Adopted 2021, 112.4, Science, Grade 2, Adopted 2021, 112.5, Science, Grade 3, Adopted 2021, 112.6, Science, Grade 4, Adopted 2021, and 112.7, Science, Grade 5, Adopted 2021, and Subchapter B, Middle School, §§112.26, Science, Grade 6, Adopted 2021, 112.27, Science, Grade 7, Adopted 2021, 112.28, Science, Grade 8, Adopted 2021. In accordance with SBOE operating procedures, oral testimony will be limited to two minutes per person.

STATUTORY AUTHORITY: Texas Education Code (TEC), §7.102(c)(4); and §28.002(a), (c), and (j).

TEC, §7.102(c)(4), requires the SBOE to establish curriculum and graduation requirements.

TEC, §28.002(a), identifies the subjects of the required curriculum.

TEC, §28.002(c), requires the SBOE to by rule identify the essential knowledge and skills of each subject in the required curriculum that all students should be able to demonstrate and that will be used in evaluating instructional materials and addressed on the state assessment instruments.

TEC, §28.002(j), allows the SBOE to require laboratory instruction in secondary science courses and require a specific amount or percentage of time in a secondary science course that must be laboratory instruction.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: In accordance with statutory requirements that the SBOE by rule identify the essential knowledge and skills of each subject in the required curriculum, the SBOE follows a board-approved cycle to review and revise the essential knowledge and skills for each subject.

At the September 2019 meeting, SBOE members were asked to designate content advisors for the review and revision of the science Texas Essential Knowledge and Skills (TEKS). In December 2019, applications to serve on science TEKS review work groups were posted on the Texas Education Agency (TEA) website. Additionally in December 2019, TEA distributed a survey to collect information from educators regarding the review and revision of the science TEKS. TEA staff provided applications for the science review work groups to SBOE members on a monthly basis from December 2019 to June 2020 and in September, October, and December 2020. At the January 2020 SBOE meeting, the SBOE provided specific guidance for the TEKS review work groups.

Also in January 2020, science TEKS review content advisors met in a face-to-face meeting to develop consensus recommendations regarding revisions to the science TEKS to share with future work groups. At that time, the content advisors met with representatives from Work Group A to discuss the consensus recommendations. Work Group A convened in February 2020 to review survey results, content advisor consensus recommendations, and the SBOE's guidance to work groups to develop recommendations for how science TEKS review work groups can address these areas. Work Group B was convened virtually in June 2020 to develop recommendations for four high school science courses: Biology, Chemistry, Integrated Physics and Chemistry, and Physics. In November 2020, the SBOE approved for second reading and final adoption proposed new 19 TAC §§112.41-112.45 for implementation beginning in the 2023-2024 school year.

Work Group C convened for a series of virtual meetings between August and November 2020 to develop recommendations for the middle school science TEKS. Work Group D was convened for monthly meetings in November and December 2020 and January and February 2021 to develop recommendations for TEKS for five high school science courses: Aquatic Science, Astronomy, Earth and Space Science, Environmental Systems, and a new course in Independent Study in Science. In January 2021, a discussion item was presented to the board for proposed new 19 TAC §§112.47-112.51. Work Group E was convened for monthly meetings between January and March 2021 to develop recommendations for the elementary school TEKS.

Proposed new 19 TAC §§112.2-112.7 and §§112.26-112.28 is presented for discussion as a separate item in this agenda.

A public hearing on proposed new 19 TAC §§112.47-112.51 is presented as a separate item in this agenda.

Proposed new 19 TAC §§112.47-112.51 is presented for first reading and filing authorization as a separate item in this agenda.

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services
Shelly Ramos, Senior Director, Curriculum Standards and Student Support

Commissioner's Comments

April 14, 2021

COMMITTEE OF THE FULL BOARD: DISCUSSION
STATE BOARD OF EDUCATION: NO ACTION

SUMMARY: This item provides an opportunity for the board to be briefed on current agenda items, agency operations, policy implementation, and public education-related legislation.

BOARD RESPONSE: Review and comment.

BACKGROUND INFORMATION AND JUSTIFICATION: On an as needed basis, the board will be briefed on significant public education issues and events.

Staff Member Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services

**Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science,
Subchapter C, High School, §§112.46-112.51
(First Reading and Filing Authorization)**

April 16, 2021

**COMMITTEE OF THE FULL BOARD: ACTION
STATE BOARD OF EDUCATION: ACTION**

SUMMARY: This item presents for first reading and filing authorization proposed new 19 Texas Administrative Code (TAC) Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §112.46, Implementation of Texas Essential Knowledge and Skills for Science, High School, Adopted 2021; §112.47, Aquatic Science, Adopted 2021 (One Credit); §112.48, Astronomy, Adopted 2021 (One Credit); §112.49, Earth Science Systems, Adopted 2021 (One Credit); §112.50, Environmental Systems, Adopted 2021 (One Credit); and §112.51, Specialized Topics in Science, Adopted 2021 (One Credit). The proposed new sections would update the standards to ensure they remain current.

STATUTORY AUTHORITY: Texas Education Code (TEC), §§7.102(c)(4); 28.002(a), (c), (j), and (n); and 28.025(a).

TEC, §7.102(c)(4), requires the State Board of Education (SBOE) to establish curriculum and graduation requirements.

TEC, §28.002(a), identifies the subjects of the required curriculum.

TEC, §28.002(c), requires the SBOE to by rule identify the essential knowledge and skills of each subject in the required curriculum that all students should be able to demonstrate and that will be used in evaluating instructional materials and addressed on the state assessment instruments.

TEC, §28.002(j), allows the SBOE to require laboratory instruction in secondary science courses and require a specific amount or percentage of time in a secondary science course that must be laboratory instruction.

TEC, §28.002(n), allows the SBOE to by rule develop and implement a plan designed to incorporate foundation curriculum requirements into the career and technical education curriculum required in TEC, §28.002.

TEC, §28.025(a), requires the SBOE to by rule determine the curriculum requirements for the foundation high school graduation program that are consistent with the required curriculum under TEC, §28.002.

The full text of statutory citations can be found in the statutory authority section of this agenda.

EFFECTIVE DATE: The proposed effective date of the proposed new sections is 20 days after filing as adopted with the Texas Register. Under TEC, §7.102(f), the SBOE must approve the rule action at second reading and final adoption by a vote of two-thirds of its members to specify an effective date earlier than the beginning of the 2021-2022 school year. The earlier effective date will enable districts to begin preparing for implementation of the revised high school science Texas Essential Knowledge and Skills (TEKS).

PREVIOUS BOARD ACTION: The SBOE originally adopted the TEKS for science effective September 1, 1998. The SBOE adopted revisions to the science TEKS for high school effective August 4, 2009, and August 27, 2018. At the November 2020 SBOE meeting, the board approved for second reading and final authorization proposed new 19 TAC §§112.41-112.45 with an effective date of 20 days after filing with the Texas Register. A discussion item on 19 TAC §§112.47-112.51 was presented to the Committee of the Full Board at the January 2021 SBOE meeting.

BACKGROUND INFORMATION AND JUSTIFICATION: In accordance with statutory requirements that the SBOE by rule identify the essential knowledge and skills of each subject in the required curriculum, the SBOE follows a board-approved cycle to review and revise the essential knowledge and skills for each subject.

At the September 2019 meeting, SBOE members were asked to designate content advisors for the review and revision of the science TEKS. In December 2019, applications to serve on science TEKS review work groups were posted on the Texas Education Agency (TEA) website. Additionally in December 2019, TEA distributed a survey to collect information from educators regarding the review and revision of the science TEKS. TEA staff provided applications for the science review work groups to SBOE members on a monthly basis from December 2019 to June 2020 and in September, October, and December 2020. At the January 2020 SBOE meeting, the SBOE provided specific guidance for the TEKS review work groups.

Also in January 2020, science TEKS review content advisors met in a face-to-face meeting to develop consensus recommendations regarding revisions to the science TEKS to share with future work groups. At that time, the content advisors met with representatives from Work Group A to discuss the consensus recommendations. Work Group A convened in February 2020 to review survey results, content advisor consensus recommendations, and the SBOE's guidance to work groups to develop recommendations for how science TEKS review work groups can address these areas. Work Group B was convened virtually in June 2020 to develop recommendations for four high school science courses: Biology, Chemistry, Integrated Physics and Chemistry, and Physics. In November 2020, the SBOE approved for second reading and final adoption proposed new 19 TAC §§112.41-112.45 for implementation beginning in the 2023-2024 school year.

Work Group C convened for a series of virtual meetings between August and November 2020 to develop recommendations for the middle school science TEKS. Work Group D was convened for monthly meetings from November 2020-February 2021 to develop recommendations for TEKS for five high school science courses: Aquatic Science, Astronomy, Earth and Space Science, Environmental Systems, and a new course Specialized Topics in Science. In January 2021, a discussion item was presented to the committee for proposed new 19 TAC §§112.47-112.51. Work Group E was convened for monthly meetings between January and March 2021 to develop recommendations for the elementary science TEKS.

Recommendations for TEKS in a new course called Specialized Topics in Science were developed by Work Group D. The new course, which will give students the opportunity to study specific topics of interest in science in greater depth or to study topics not addressed in other science courses, has been recommended for implementation earlier than the 2023-2024 school year so that students studying specialized topics will have alternative ways to fulfill their graduation requirements in science. This course is recommended for implementation beginning with the 2021-2022 school year.

The proposed new sections would introduce new standards for Specialized Topics in Science and revised standards for Aquatic Science, Astronomy, Earth Science Systems (formerly titled Earth and Space Science), and Environmental Systems as well as related implementation language.

A public hearing on proposed new 19 TAC §§112.47-112.51 is presented as a separate item in this agenda.

A public hearing on proposed new 19 TAC §§112.2-112.7 and §§112.26-112.28 is presented as a separate item in this agenda.

Proposed new 19 TAC §§112.2-112.7 and §§112.26-112.28 is presented for discussion as a separate item in this agenda.

FISCAL IMPACT: TEA has determined that for the first five years the proposal is in effect (2021-2025), there are no fiscal implications to the state. However, in fiscal years 2019 and 2020, there was a fiscal impact to TEA to reimburse committee members for travel to review the science TEKS. For fiscal year 2020, the estimated cost to TEA was \$23,609. There will also be implications for the TEA if the state develops professional development to help teachers and administrators understand the revised TEKS. Any professional development that is created would be based on whether the TEA received an appropriation for professional development in the next biennium.

There may be fiscal implications for school districts and charter schools to implement the proposed revisions to the TEKS, which may include the need for professional development and revisions to district-developed databases, curriculum, and scope and sequence documents. Since curriculum and instruction decisions are made at the local district level, it is difficult to estimate the fiscal impact on any given district.

LOCAL EMPLOYMENT IMPACT: The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis specified in Texas Government Code, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

TAKINGS IMPACT ASSESSMENT: The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT: TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would create new regulations by proposing revised science TEKS required to be offered by school districts and charter schools.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not expand, limit, or repeal an existing regulation; would not

increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: The proposal would better align the TEKS and coordinate the standards with the adoption of instructional materials. There is no anticipated economic cost to persons who are required to comply with the proposal.

DATA AND REPORTING IMPACT: The proposal would have no data and reporting impact.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: The public comment period on the proposal begins May 14, 2021, and ends at 5:00 p.m. on June 18, 2021. The SBOE will take registered oral and written comments on the proposal at the appropriate committee meeting in June 2021 in accordance with the SBOE board operating policies and procedures. A request for a public hearing on the proposal submitted under the Administrative Procedure Act must be received by the commissioner of education not more than 14 calendar days after notice of the proposal has been published in the *Texas Register* on May 14, 2021.

MOTION TO BE CONSIDERED: The State Board of Education:

Approve for first reading and filing authorization proposed new 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §112.46, Implementation of Texas Essential Knowledge and Skills for Science, High School, Adopted 2021; §112.47, Aquatic Science, Adopted 2021 (One Credit); §112.48, Astronomy, Adopted 2021 (One Credit); §112.49, Earth Science Systems, Adopted 2021 (One Credit); §112.50, Environmental Systems, Adopted 2021 (One Credit); and §112.51, Specialized Topics in Science, Adopted 2021 (One Credit).

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services
Shelly Ramos, Senior Director, Curriculum Standards and Student Support

Attachment:

Text of Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §112.46, Implementation of Texas Essential Knowledge and Skills for Science, High School, Adopted 2021; §112.47, Aquatic Science, Adopted 2021 (One Credit); §112.48, Astronomy, Adopted 2021 (One Credit); §112.49, Earth Science Systems, Adopted 2021 (One Credit); §112.50, Environmental Systems, Adopted 2021 (One Credit); and §112.51, Specialized Topics in Science, Adopted 2021 (One Credit)

ATTACHMENT
Text of Proposed New 19 TAC

Chapter 112. Texas Essential Knowledge and Skills for Science

Subchapter C. High School

§112.46. Implementation of Texas Essential Knowledge and Skills for Science, High School, Adopted 2021.

- (a) The provisions of §§112.47-112.50 of this subchapter shall be implemented by school districts beginning with the 2023-2024 school year.
- (b) The provisions of §112.51 of this subchapter shall be implemented by school districts beginning with the 2022-2023 school year.
- (c) No later than July 31, 2022, the commissioner of education shall determine whether instructional materials funding has been made available to Texas public schools for materials that cover the essential knowledge and skills for science as adopted in §§112.47-112.50 of this subchapter.
- (d) If the commissioner makes the determination that instructional materials funding has been made available under subsection (c) of this section, §§112.47-112.50 of this subchapter shall be implemented beginning with the 2023-2024 school year and apply to the 2023-2024 and subsequent school years.
- (e) If the commissioner does not make the determination that instructional materials funding has been made available under subsection (c) of this section, the commissioner shall determine no later than July 31 of each subsequent school year whether instructional materials funding has been made available. If the commissioner determines that instructional materials funding has been made available, the commissioner shall notify the State Board of Education and school districts that §§112.47-112.50 of this subchapter shall be implemented for the following school year.
- (f) Sections 112.32, 112.33, 112.36, and 112.37 of this subchapter shall be superseded by the implementation of §§112.47-112.50 of this subchapter.

§112.47. Aquatic Science, Adopted 2021 (One Credit).

- (a) General requirements. Students shall be awarded one credit for successful completion of this course. Prerequisite: one unit of high school biology. Recommended prerequisite: Integrated Physics and Chemistry, Chemistry, or concurrent enrollment in either course. This course is recommended for students in Grade 10, 11, or 12.
- (b) Introduction.
 - (1) Aquatic Science. In Aquatic Science, students study the interactions of biotic and abiotic components in aquatic environments, including natural and human impacts on aquatic systems. Investigations and field work in this course may emphasize fresh water or marine aspects of aquatic science depending primarily upon the natural resources available for study near the school. Students who successfully complete Aquatic Science acquire knowledge about how the properties of water and fluid dynamics affect aquatic ecosystems and acquire knowledge about a variety of aquatic systems. Students who successfully complete Aquatic Science conduct investigations and observations of aquatic environments, work collaboratively with peers, and develop critical-thinking and problem-solving skills.
 - (2) Nature of science. Science, as defined by the National Academy of Sciences, is the "use of evidence to construct testable explanations and predictions of natural phenomena, as well as the knowledge generated through this process." This vast body of changing and increasing knowledge is described by physical, mathematical, and conceptual models. Students should know that some questions are outside the realm of science because they deal with phenomena that are not currently scientifically testable.
 - (3) Scientific hypotheses and theories. Students are expected to know that:

- (A) hypotheses are tentative and testable statements that must be capable of being supported or not supported by observational evidence. Hypotheses of durable explanatory power that have been tested over a wide variety of conditions are incorporated into theories; and
 - (B) scientific theories are based on natural and physical phenomena and are capable of being tested by multiple independent researchers. Unlike hypotheses, scientific theories are well established and highly reliable explanations, but they may be subject to change as new areas of science and new technologies are developed.
- (4) Scientific inquiry. Scientific inquiry is the planned and deliberate investigation of the natural world using scientific and engineering practices. Scientific methods of investigation are descriptive, comparative, or experimental. The method chosen should be appropriate to the question being asked. Student learning for different types of investigations include descriptive investigations, which involve collecting data and recording observations without making comparisons; comparative investigations, which involve collecting data with variables that are manipulated to compare results; and experimental investigations, which involve processes similar to comparative investigations but in which a control is identified.
- (A) Scientific practices. Students should be able to ask questions, plan and conduct investigations to answer questions, and explain phenomena using appropriate tools and models.
 - (B) Engineering practices. Students should be able to identify problems and design solutions using appropriate tools and models.
- (5) Science and social ethics. Scientific decision making is a way of answering questions about the natural world involving its own set of ethical standards about how the process of science should be carried out. Students should be able to distinguish between scientific decision-making methods (scientific methods) and ethical and social decisions that involve science (the application of scientific information).
- (6) Science consists of recurring themes and making connections between overarching concepts. Recurring themes include systems, models, and patterns. All systems have basic properties that can be described in space, time, energy, and matter. Change and constancy occur in systems as patterns and can be observed, measured, and modeled. These patterns help to make predictions that can be scientifically tested, while models allow for boundary specification and provide tools for understanding the ideas presented. Students should analyze a system in terms of its components and how these components relate to each other, to the whole, and to the external environment.
- (7) Statements containing the word "including" reference content that must be mastered, while those containing the phrase "such as" are intended as possible illustrative examples.
- (c) Knowledge and skills.
- (1) Scientific and engineering practices. The student, for at least 40% of instructional time, asks questions, identifies problems, and plans and safely conducts classroom, laboratory, and field investigations to explain phenomena or design solutions using appropriate tools and models. The student is expected to:
- (A) ask questions and define problems based on observations or information from text, phenomena, models, or investigations;
 - (B) apply scientific practices to plan and conduct descriptive, comparative, and experimental investigations and use engineering practices to design solutions to problems;
 - (C) use appropriate safety equipment and practices during laboratory, classroom, and field investigations as outlined in Texas Education Agency-approved safety standards;
 - (D) use appropriate tools such as Global Positioning System (GPS), Geographic Information System (GIS), weather balloons, buoys, water testing kits, meter sticks, metric rulers, pipettes, graduated cylinders, standard laboratory glassware, balances, timing devices, pH

meters or probes, various data collecting probes, thermometers, calculators, computers, internet access, turbidity testing devices, hand magnifiers, work and disposable gloves, compasses, first aid kits, field guides, water quality test kits or probes, 30-meter tape measures, tarps, ripple tanks, trowels, screens, buckets, sediment samples equipment, cameras, flow meters, cast nets, kick nets, seines, computer models, spectrophotometers, stereomicroscopes, compound microscopes, clinometers, and field journals, various prepared slides, hand lenses, hot plates, Petri dishes, sampling nets, waders, leveling grade rods (Jason sticks), protractors, inclination and height distance calculators, samples of biological specimens or structures, core sampling equipment, fish tanks and associated supplies, and hydrometers;

- (E) collect quantitative data using the International System of Units (SI) and qualitative data as evidence;
 - (F) organize quantitative and qualitative data using probeware, spreadsheets, lab notebooks or journals, models, diagrams, graphs paper, computers, or cellphone applications;
 - (G) develop and use models to represent phenomena, systems, processes, or solutions to engineering problems; and
 - (H) distinguish between scientific hypotheses, theories, and laws.
- (2) Scientific and engineering practices. The student analyzes and interprets data to derive meaning, identify features and patterns, and discover relationships or correlations to develop evidence-based arguments or evaluate designs. The student is expected to:
- (A) identify advantages and limitations of models such as their size, scale, properties, and materials;
 - (B) analyze data by identifying significant statistical features, patterns, sources of error, and limitations;
 - (C) use mathematical calculations to assess quantitative relationships in data; and
 - (D) evaluate experimental and engineering designs.
- (3) Scientific and engineering practices. The student develops evidence-based explanations and communicates findings, conclusions, and proposed solutions. The student is expected to:
- (A) develop explanations and propose solutions supported by data and models and consistent with scientific ideas, principles, and theories;
 - (B) communicate explanations and solutions individually and collaboratively in a variety of settings and formats; and
 - (C) engage respectfully in scientific argumentation using applied scientific explanations and empirical evidence.
- (4) Scientific and engineering practices. The student knows the contributions of scientists and recognizes the importance of scientific research and innovation on society. The student is expected to:
- (A) analyze, evaluate, and critique scientific explanations and solutions by using empirical evidence, logical reasoning, and experimental and observational testing, so as to encourage critical thinking by the student;
 - (B) relate the impact of past and current research on scientific thought and society, including research methodology, cost-benefit analysis, and contributions of diverse scientists as related to the content; and
 - (C) research and explore resources such as museums, planetariums, observatories, libraries, professional organizations, private companies, online platforms, and mentors employed in a science, technology, engineering, and mathematics (STEM) field in order to investigate STEM careers.

- (5) The student understands how the properties of water build the foundation of aquatic ecosystems. The student is expected to:
- (A) describe how the shape and polarity of the water molecule make it a "universal solvent" in aquatic systems;
 - (B) identify how aquatic ecosystems are affected by water's properties of adhesion, cohesion, surface tension, heat capacity, and thermal conductivity; and
 - (C) explain how the density of water is critical for organisms in cold environments.
- (6) Students know that aquatic environments are the product of interactions among Earth systems. The student is expected to:
- (A) identify key features and characteristics of atmospheric, geological, hydrological, and biological systems as they relate to aquatic environments;
 - (B) describe the interrelatedness of atmospheric, geological, hydrological, and biological systems in aquatic ecosystems, including positive and negative feedback loops; and
 - (C) evaluate environmental data using technology such as maps, visualizations, satellite data, Global Positioning System (GPS), Geographic Information System (GIS), weather balloons, and buoys to model the interactions that affect aquatic ecosystems.
- (7) The student knows about the interdependence and interactions that occur in aquatic environments. The student is expected to:
- (A) identify how energy flows and matter cycles through both freshwater and saltwater aquatic systems, including food webs, chains, and pyramids;
 - (B) identify biological, chemical, geological, and physical components of an aquatic life zone as they relate to the organisms in it;
 - (C) identify variables that affect the solubility of carbon dioxide and oxygen in water;
 - (D) evaluate factors affecting aquatic population cycles such as lunar cycles, temperature variations, hours of daylight, and predator-prey relationships; and
 - (E) identify the interdependence of organisms in an aquatic environment such as in a pond, a river, a lake, an ocean, or an aquifer and the biosphere.
- (8) The student conducts short-term and long-term studies on local aquatic environments. Local natural environments are to be preferred over artificial or virtual environments. The student is expected to:
- (A) evaluate data over a period of time from an established aquatic environment documenting seasonal changes and the behavior of organisms;
 - (B) collect and analyze pH, salinity, temperature, mineral content, nitrogen compounds, dissolved oxygen, and turbidity data periodically, starting with baseline measurements; and
 - (C) use data from short-term or long-term studies to analyze interrelationships between producers, consumers, and decomposers in aquatic ecosystems.
- (9) The student knows the role of cycles in an aquatic environment. The student is expected to:
- (A) identify the role of carbon, nitrogen, water, and nutrient cycles in an aquatic environment, including upwellings and turnovers;
 - (B) examine the interrelationships between aquatic systems and climate and weather, including El Niño and La Niña, currents, and hurricanes; and
 - (C) explain how tidal cycles influence intertidal ecology.
- (10) The student knows the origin and potential uses of fresh water. The student is expected to:

- (A) identify sources of water in a watershed, including rainfall, groundwater, and surface water;
 - (B) identify factors that contribute to how water flows through a watershed;
 - (C) analyze water quantity and quality in a local watershed or aquifer; and
 - (D) describe human uses of fresh water and how human freshwater use competes with that of other organisms.
- (11) The student knows that geological phenomena and fluid dynamics affect aquatic systems. The student is expected to:
- (A) examine basic principles of fluid dynamics, including hydrostatic pressure, density, salinity, and buoyancy;
 - (B) identify interrelationships between ocean currents, climates, and geologic features such as continental margins, active and passive margins, abyssal plains, island atolls, peninsulas, barrier islands, and hydrothermal vents;
 - (C) explain how fluid dynamics causes upwelling and lake turnover; and
 - (D) describe how erosion and deposition in river systems lead to formation of geologic features.
- (12) The student understands the types of aquatic ecosystems. The student is expected to:
- (A) differentiate among freshwater, brackish, and saltwater ecosystems; and
 - (B) identify the major properties and components of different marine and freshwater life zones.
- (13) The student knows environmental adaptations of aquatic organisms. The student is expected to:
- (A) compare different traits in aquatic organisms using tools such as dichotomous keys;
 - (B) describe how adaptations allow an organism to exist within an aquatic environment; and
 - (C) compare adaptations of freshwater and marine organisms.
- (14) The student understands how human activities impact aquatic environments. The student is expected to:
- (A) analyze the cumulative impact of human population growth on an aquatic ecosystem;
 - (B) predict effects of chemical, organic, physical, and thermal changes due to humans on the living and nonliving components of an aquatic ecosystem;
 - (C) investigate the role of humans in unbalanced systems involving phenomena such as invasive species, fish farming, cultural eutrophication, or red tides;
 - (D) analyze and discuss how human activities such as fishing, transportation, dams, and recreation influence aquatic environments;
 - (E) describe the impact of various laws and policies such as The Endangered Species Act, right of capture laws, or Clean Water Act on aquatic systems; and
 - (F) analyze the purpose and effectiveness of human efforts to restore aquatic ecosystems affected by human activities.

§112.48. Astronomy, Adopted 2021 (One Credit).

- (a) General requirements. Students shall be awarded one credit for successful completion of this course. Prerequisites: Algebra I and Integrated Physics and Chemistry or Chemistry.
- (b) Introduction.

- (1) Astronomy. In Astronomy, students focus on patterns, processes, and relationships among astronomical objects in our universe. Students acquire basic astronomical knowledge and supporting evidence about sun-Earth-Moon relationships, the solar system, the Milky Way, the size and scale of the universe, and the benefits and limitations of exploration. Students conduct laboratory and field investigations to support their developing conceptual framework of our place in space and time. By the end of Grade 12, students are expected to gain sufficient knowledge of the scientific and engineering practices across the disciplines of science to make informed decisions using critical thinking and scientific problem solving.
- (2) Nature of science. Science, as defined by the National Academy of Sciences, is the "use of evidence to construct testable explanations and predictions of natural phenomena, as well as the knowledge generated through this process." This vast body of changing and increasing knowledge is described by physical, mathematical, and conceptual models. Students should know that some questions are outside the realm of science because they deal with phenomena that are not scientifically testable.
- (3) Scientific hypotheses and theories. Students are expected to know that:
 - (A) hypotheses are tentative and testable statements that must be capable of being supported or not supported by observational evidence. Hypotheses of durable explanatory power that have been tested over a wide variety of conditions are incorporated into theories; and
 - (B) scientific theories are based on natural and physical phenomena and are capable of being tested by multiple independent researchers. Unlike hypotheses, scientific theories are well established and highly reliable explanations, but they may be subject to change as new areas of science and new technologies are developed.
- (4) Scientific inquiry. Scientific inquiry is the planned and deliberate investigation of the natural world using scientific and engineering practices. Scientific methods of investigation are descriptive, comparative, or experimental. The method chosen should be appropriate to the question being asked. Student learning for different types of investigations include descriptive investigations, which involve collecting data and recording observations without making comparisons; comparative investigations, which involve collecting data with variables that are manipulated to compare results; and experimental investigations, which involve processes similar to comparative investigations but in which a control is identified.
 - (A) Scientific practices. Students should be able to ask questions, plan and conduct investigations to answer questions, and explain phenomena using appropriate tools and models.
 - (B) Engineering practices. Students should be able to identify problems and design solutions using appropriate tools and models.
- (5) Science and social ethics. Scientific decision making is a way of answering questions about the natural world involving its own set of ethical standards about how the process of science should be carried out. Students should be able to distinguish between scientific decision-making methods (scientific methods) and ethical and social decisions that involve science (the application of scientific information).
- (6) Science consists of recurring themes and making connections between overarching concepts. Recurring themes include systems, models, and patterns. All systems have basic properties that can be described in space, time, energy, and matter. Change and constancy occur in systems as patterns and can be observed, measured, and modeled. These patterns help to make predictions that can be scientifically tested, while models allow for boundary specification and provide tools for understanding the ideas presented. Students should analyze a system in terms of its components and how these components relate to each other, to the whole, and to the external environment.
- (7) Statements containing the word "including" reference content that must be mastered, while those containing the phrase "such as" are intended as possible illustrative examples.

(c) Knowledge and skills.

- (1) Scientific and engineering practices. The student, for at least 40% of instructional time, asks questions, identifies problems, and plans and safely conducts classroom, laboratory, and field investigations to explain phenomena or design solutions using appropriate tools and models. The student is expected to:
 - (A) ask questions and define problems based on observations or information from text, phenomena, models, or investigations;
 - (B) apply scientific practices to plan and conduct descriptive, comparative, and experimental investigations and use engineering practices to design solutions to problems;
 - (C) use appropriate safety equipment and practices during laboratory, classroom, and field investigations as outlined in Texas Education Agency-approved safety standards;
 - (D) use appropriate tools such as gnomons; sundials; Planisphere; star charts; globe of the Earth; diffraction gratings; spectrosopes; color filters; lenses of multiple focal lengths; concave, plane, and convex mirrors; binoculars; telescopes; celestial sphere; online astronomical databases; and online access to observatories;
 - (E) collect quantitative data using the International System of Units (SI) and qualitative data as evidence;
 - (F) organize quantitative and qualitative data using graphs, charts, spreadsheets, and computer software;
 - (G) develop and use models to represent phenomena, systems, processes, or solutions to engineering problems; and
 - (H) distinguish between scientific hypotheses, theories, and laws.
- (2) Scientific and engineering practices. The student analyzes and interprets data to derive meaning, identify features and patterns, and discover relationships or correlations to develop evidence-based arguments or evaluate designs. The student is expected to:
 - (A) identify advantages and limitations of models such as their size, scale, properties, and materials;
 - (B) analyze data by identifying significant statistical features, patterns, sources of error, and limitations;
 - (C) use mathematical calculations to assess quantitative relationships in data; and
 - (D) evaluate experimental and engineering designs.
- (3) Scientific and engineering practices. The student develops evidence-based explanations and communicates findings, conclusions, and proposed solutions. The student is expected to:
 - (A) develop explanations and propose solutions supported by data and models and consistent with scientific ideas, principles, and theories;
 - (B) communicate explanations and solutions individually and collaboratively in a variety of settings and formats; and
 - (C) engage respectfully in scientific argumentation using applied scientific explanations and empirical evidence.
- (4) Scientific and engineering practices. The student knows the contributions of scientists and recognizes the importance of scientific research and innovation on society. The student is expected to:
 - (A) analyze, evaluate, and critique scientific explanations and solutions by using empirical evidence, logical reasoning, and experimental and observational testing, so as to encourage critical thinking by the student;

- (B) relate the impact of past and current research on scientific thought and society, including research methodology, cost-benefit analysis, and contributions of diverse scientists as related to the content; and
 - (C) research and explore resources such as museums, planetariums, observatories, libraries, professional organizations, private companies, online platforms, and mentors employed in a science, technology, engineering, and mathematics (STEM) field in order to investigate STEM careers.
- (5) Science concepts. The student understands how astronomy influenced and advanced civilizations. The student is expected to:
- (A) evaluate and communicate how ancient civilizations developed models of the universe using astronomical structures, instruments, and tools, including the astrolabe, gnomons, and charts, and how those models influenced society, time keeping, and navigation;
 - (B) research and evaluate the contributions of scientists, including Ptolemy, Copernicus, Tycho Brahe, Kepler, Galileo, and Newton, as astronomy progressed from a geocentric model to a heliocentric model; and
 - (C) describe and explain the historical origins of the perceived patterns of constellations and the role of constellations in ancient and modern navigation.
- (6) Science concepts. The student conducts and explains astronomical observations made from the point of reference of Earth. The student is expected to:
- (A) observe, record, and analyze the apparent movement of the Sun, Moon, and stars and predict sunrise and sunset;
 - (B) observe the movement of planets throughout the year and measure how their positions change relative to the constellations;
 - (C) identify constellations such as Ursa Major, Ursa Minor, Orion, Cassiopeia, and constellations along the ecliptic and describe their importance; and
 - (D) understand the difference between astronomy and astrology, the reasons for their historical conflation, and their eventual separation.
- (7) Science concepts. The student knows our relative place in the solar system. The student is expected to:
- (A) demonstrate the use of units of measurement in astronomy, including astronomical units and light years, minutes, and seconds;
 - (B) model the scale, size, and distance of the Sun, Earth, and Moon system and identify the limitations of physical models; and
 - (C) model the scale, sizes, and distances of the Sun and the planets in our solar system and identify the limitations of physical models.
- (8) Science concepts. The student observes and models the interactions within the Sun, Earth, and Moon system. The student is expected to:
- (A) model how the orbit and relative position of the Moon cause lunar phases and predict the timing of moonrise and moonset during each phase;
 - (B) model how the orbit and relative position of the Moon cause lunar and solar eclipses; and
 - (C) examine and investigate the dynamics of tides using the Sun, Earth, and Moon model.
- (9) Science concepts. The student models the cause of planetary seasons. The student is expected to:
- (A) examine the relationship of a planet's axial tilt to its potential seasons;
 - (B) predict how changing latitudinal position affects the length of day and night throughout a planet's orbital year;

- (C) investigate the relationship between a planet's axial tilt, angle of incidence of sunlight, and concentration of solar energy; and
 - (D) explain the significance of Earth's solstices and equinoxes.
- (10) Science concepts. The student knows how astronomical tools collect and record information about celestial objects. The student is expected to:
- (A) investigate the use of black body radiation curves and emission, absorption, and continuous spectra in the identification and classification of celestial objects;
 - (B) calculate the relative light-gathering power of different-sized telescopes to compare telescopes for different applications;
 - (C) analyze the importance and limitations of optical, infrared, and radio telescopes, gravitational wave detectors, and other ground-based technology; and
 - (D) analyze the importance and limitations of space telescopes in the collection of astronomical data across the electromagnetic spectrum.
- (11) Science concepts. The student uses models to explain the formation, development, organization, and significance of solar system bodies. The student is expected to:
- (A) relate Newton's law of universal gravitation and Kepler's laws of planetary motion to the formation and motion of the planets and their satellites;
 - (B) explore and communicate the origins and significance of planets, planetary rings, satellites, asteroids, comets, Oort cloud, and Kuiper belt objects;
 - (C) compare the planets in terms of orbit, size, composition, rotation, atmosphere, natural satellites, magnetic fields, and geological activity; and
 - (D) compare the factors essential to life on Earth such as temperature, water, mass, gases, and magnetic field to conditions on other planets and their satellites.
- (12) Science concepts. The student knows that our Sun serves as a model for stellar activity. The student is expected to:
- (A) identify the approximate mass, size, motion, temperature, structure, and composition of the Sun;
 - (B) distinguish between nuclear fusion and nuclear fission and identify the source of energy within the Sun as nuclear fusion of hydrogen to helium;
 - (C) describe the eleven-year solar cycle and the significance of sunspots; and
 - (D) analyze the origins and effects of space weather, including the solar wind, coronal mass ejections, prominences, flares, and sunspots.
- (13) Science concepts. The student understands the characteristics and life cycle of stars. The student is expected to:
- (A) identify the characteristics of main sequence stars, including surface temperature, age, relative size, and composition;
 - (B) describe and communicate star formation from nebulae to protostars to the development of main sequence stars;
 - (C) evaluate the relationship between mass and fusion on stellar evolution;
 - (D) compare how the mass of a main sequence star will determine its end state as a white dwarf, neutron star, or black hole;
 - (E) describe the use of spectroscopy in obtaining physical data on celestial objects such as temperature, chemical composition, and relative motion;

- (F) use the Hertzsprung-Russell diagram to classify stars and plot and examine the life cycle of stars from birth to death;
 - (G) illustrate how astronomers use geometric parallax to determine stellar distances and intrinsic luminosities; and
 - (H) describe how stellar distances are determined by comparing apparent brightness and intrinsic luminosity when using spectroscopic parallax and the Leavitt relation for variable stars.
- (14) Science concepts. The student knows the structure of the universe and our relative place in it. The student is expected to:
- (A) illustrate the structure and components of our Milky Way galaxy and model the size, location, and movement of our solar system within it;
 - (B) compare spiral, elliptical, irregular, dwarf, and active galaxies;
 - (C) develop and use models to explain how galactic evolution occurs through mergers and collisions;
 - (D) describe the Local Group and its relation to larger-scale structures in the universe; and
 - (E) evaluate the indirect evidence for the existence of dark matter.
- (15) Science concepts. The student knows the scientific theories of cosmology. The student is expected to:
- (A) describe and evaluate the historical development of evidence supporting the Big Bang Theory;
 - (B) evaluate the limits of observational astronomy methods used to formulate the distance ladder;
 - (C) evaluate the indirect evidence for the existence of dark energy;
 - (D) describe the current scientific understanding of the evolution of the universe, including estimates for the age of the universe; and
 - (E) describe current scientific hypotheses about the fate of the universe, including open and closed universes.
- (16) Science concepts. The student understands the benefits and challenges of expanding our knowledge of the universe. The student is expected to:
- (A) describe and communicate the historical development of human space flight and its challenges;
 - (B) describe and communicate the uses and challenges of robotic space flight;
 - (C) evaluate the evidence of the existence of habitable zones and potentially habitable planetary bodies in extrasolar planetary systems;
 - (D) evaluate the impact on astronomy from light pollution, radio interference, and space debris;
 - (E) examine and describe current developments and discoveries in astronomy; and
 - (F) explore and explain careers that involve astronomy, space exploration, and the technologies developed through them.

§112.49. Earth Systems Science, Adopted 2021 (One Credit).

- (a) General requirements. Students shall be awarded one credit for successful completion of this course. Prerequisites: Algebra I and two credits of high school science.
- (b) Introduction.

- (1) Earth Systems Science. The Earth Systems Science course is designed to build on students' prior scientific and academic knowledge and skills to develop their understanding of Earth's systems. These systems (the atmosphere, hydrosphere, geosphere, and biosphere) interact through time to produce the Earth's landscapes, climate, and resources. Students explore the geologic history of individual dynamic systems through the flow of energy and matter, their current states, and how these systems affect and are affected by human use.
 - (2) Nature of science. Science, as defined by the National Academy of Sciences, is the "use of evidence to construct testable explanations and predictions of natural phenomena, as well as the knowledge generated through this process." This vast body of changing and increasing knowledge is described by physical, mathematical, and conceptual models. Students should know that some questions are outside the realm of science because they deal with phenomena that are not currently scientifically testable.
 - (3) Scientific hypotheses and theories. Students are expected to know that:
 - (A) hypotheses are tentative and testable statements that must be capable of being supported or not supported by observational evidence. Hypotheses of durable explanatory power that have been tested over a wide variety of conditions are incorporated into theories; and
 - (B) scientific theories are based on natural and physical phenomena and are capable of being tested by multiple independent researchers. Unlike hypotheses, scientific theories are well established and highly reliable explanations, but they may be subject to change as new areas of science and new technologies are developed.
 - (4) Scientific inquiry. Scientific inquiry is the planned and deliberate investigation of the natural world using scientific and engineering practices. Scientific methods of investigation are descriptive, comparative, or experimental. The method chosen should be appropriate to the question being asked. Student learning for different types of investigations include descriptive investigations, which involve collecting data and recording observations without making comparisons; comparative investigations, which involve collecting data with variables that are manipulated to compare results; and experimental investigations, which involve processes similar to comparative investigations but in which a control is identified.
 - (A) Scientific practices. Students should be able to ask questions, plan and conduct investigations to answer questions, and explain phenomena using appropriate tools and models.
 - (B) Engineering practices. Students should be able to identify problems and design solutions using appropriate tools and models.
 - (5) Science and social ethics. Scientific decision making is a way of answering questions about the natural world involving its own set of ethical standards about how the process of science should be carried out. Students should be able to distinguish between scientific decision-making methods (scientific methods) and ethical and social decisions that involve science (the application of scientific information).
 - (6) Science consists of recurring themes and making connections between overarching concepts. Recurring themes include systems, models, and patterns. All systems have basic properties that can be described in space, time, energy, and matter. Change and constancy occur in systems as patterns and can be observed, measured, and modeled. These patterns help to make predictions that can be scientifically tested, while models allow for boundary specification and provide tools for understanding the ideas presented. Students should analyze a system in terms of its components and how these components relate to each other, to the whole, and to the external environment.
 - (7) Statements containing the word "including" reference content that must be mastered, while those containing the phrase "such as" are intended as possible illustrative examples.
- (c) Knowledge and skills.

- (1) Scientific and engineering practices. The student, for at least 40% of instructional time, asks questions, identifies problems, and plans and safely conducts classroom, laboratory, and field investigations to explain phenomena or design solutions using appropriate tools and models. The student is expected to:
 - (A) ask questions and define problems based on observations or information from text, phenomena, models, or investigations;
 - (B) apply scientific practices to plan and conduct descriptive, comparative, and experimental investigations and use engineering practices to design solutions to problems;
 - (C) use appropriate safety equipment and practices during laboratory, classroom, and field investigations as outlined in Texas Education Agency-approved safety standards;
 - (D) use appropriate tools such as a drawing compass, magnetic compass, bar magnets, topographical and geological maps, satellite imagery and other remote sensing data, Geographic Information Systems (GIS), Global Positioning System (GPS), hand lenses, and fossil and rock sample kits;
 - (E) collect quantitative data using the International System of Units (SI) and qualitative data as evidence;
 - (F) organize quantitative and qualitative data using scatter plots, line graphs, bar graphs, charts, data tables, digital tools, diagrams, scientific drawings, and student-prepared models;
 - (G) develop and use models to represent phenomena, systems, processes, or solutions to engineering problems; and
 - (H) distinguish between scientific hypotheses, theories, and laws.
- (2) Scientific and engineering practices. The student analyzes and interprets data to derive meaning, identify features and patterns, and discover relationships or correlations to develop evidence-based arguments or evaluate designs. The student is expected to:
 - (A) identify advantages and limitations of models such as their size, scale, properties, and materials;
 - (B) analyze data by identifying significant statistical features, patterns, sources of error, and limitations;
 - (C) use mathematical calculations to assess quantitative relationships in data; and
 - (D) evaluate experimental and engineering designs.
- (3) Scientific and engineering practices. The student develops evidence-based explanations and communicates findings, conclusions, and proposed solutions. The student is expected to:
 - (A) develop explanations and propose solutions supported by data and models and consistent with scientific ideas, principles, and theories;
 - (B) communicate explanations and solutions individually and collaboratively in a variety of settings and formats; and
 - (C) engage respectfully in scientific argumentation using applied scientific explanations and empirical evidence.
- (4) Scientific and engineering practices. The student knows the contributions of scientists and recognizes the importance of scientific research and innovation on society. The student is expected to:
 - (A) analyze, evaluate, and critique scientific explanations and solutions by using empirical evidence, logical reasoning, and experimental and observational testing, so as to encourage critical thinking by the student;

- (B) relate the impact of past and current research on scientific thought and society, including research methodology, cost-benefit analysis, and contributions of diverse scientists as related to the content; and
 - (C) research and explore resources such as museums, planetariums, observatories, libraries, professional organizations, private companies, online platforms, and mentors employed in a science, technology, engineering, and mathematics (STEM) field in order to investigate STEM careers.
- (5) Science concepts. The student understands the formation of the Earth and how objects in the solar system affect Earth's systems. The student is expected to:
- (A) analyze how gravitational condensation of solar nebular gas and dust can lead to the accretion of planetesimals and protoplanets;
 - (B) identify comets, asteroids, meteoroids, and planets in the solar system and describe how they affect the Earth and Earth's systems; and
 - (C) explore the historical and current hypotheses for the origin of the Moon, including the collision of Earth with a Mars-sized planetesimal.
- (6) Science concepts. The student knows the evidence for the formation and composition of Earth's atmosphere, hydrosphere, biosphere, and geosphere. The student is expected to:
- (A) describe how impact accretion, gravitational compression, radioactive decay, and cooling differentiated proto-Earth into layers;
 - (B) evaluate the roles of volcanic outgassing and water-bearing comets in developing Earth's atmosphere and hydrosphere;
 - (C) evaluate the evidence for changes to the chemical composition of Earth's atmosphere prior to the introduction of oxygen;
 - (D) evaluate scientific hypotheses for the origin of life through abiotic chemical processes; and
 - (E) describe how the production of oxygen by photosynthesis affected the development of the atmosphere, hydrosphere, geosphere, and biosphere.
- (7) Science concepts. The student knows that rocks and fossils provide evidence for geologic chronology, biological evolution, and environmental changes. The student is expected to:
- (A) describe the development of multiple radiometric dating methods and analyze their precision, reliability, and limitations in calculating the ages of igneous rocks from Earth, the Moon, and meteorites;
 - (B) apply relative dating methods, principles of stratigraphy, and index fossils to determine the chronological order of rock layers;
 - (C) construct a model of the geological time scale using relative and absolute dating methods to represent Earth's approximate 4.6-billion-year history;
 - (D) explain how sedimentation, fossilization, and speciation affect the degree of completeness of the fossil record;
 - (E) describe how evidence of biozones and faunal succession in rock layers reveal information about the environment at the time those rocks were deposited and the dynamic nature of the Earth; and
 - (F) analyze data from rock and fossil succession to evaluate the evidence for and significance of mass extinctions, major climatic changes, and tectonic events.
- (8) Science concepts. The student knows how the Earth's interior dynamics and energy flow drive geological processes on Earth's surface. The student is expected to:

- (A) evaluate heat transfer through Earth's systems by convection and conduction and include its role in plate tectonics and volcanism;
 - (B) develop a model of the physical, mechanical, and chemical composition of Earth's layers using evidence from Earth's magnetic field, the composition of meteorites, and seismic waves;
 - (C) investigate how new conceptual interpretations of data and innovative geophysical technologies led to the current theory of plate tectonics;
 - (D) describe how heat and rock composition affect density within Earth's interior and how density influences the development and motion of Earth's tectonic plates;
 - (E) explain how plate tectonics accounts for geologic processes and features, including sea floor spreading, ocean ridges and rift valleys, subduction zones, earthquakes, volcanoes, mountain ranges, hot spots, and hydrothermal vents;
 - (F) calculate the motion history of tectonic plates using equations relating rate, time, and distance to predict future motions, locations, and resulting geologic features;
 - (G) distinguish the location, type, and relative motion of convergent, divergent, and transform plate boundaries using evidence from the distribution of earthquakes and volcanoes; and
 - (H) evaluate the role of plate tectonics with respect to long-term global changes in Earth's subsystems such as continental buildup, glaciation, sea level fluctuations, mass extinctions, and climate change.
- (9) Science concepts. The student knows that the lithosphere continuously changes as a result of dynamic and complex interactions among Earth's systems. The student is expected to:
- (A) interpret Earth surface features using a variety of methods such as satellite imagery, aerial photography, and topographic and geologic maps using appropriate technologies;
 - (B) investigate and model how surface water and ground water change the lithosphere through chemical and physical weathering and how they serve as valuable natural resources;
 - (C) model the processes of mass wasting, erosion, and deposition by water, wind, ice, glaciation, gravity, and volcanism in constantly reshaping Earth's surface; and
 - (D) evaluate how weather and human activity affect the location, quality, and supply of available freshwater resources.
- (10) Science concepts. The student knows how the physical and chemical properties of the ocean affect its structure and flow of energy. The student is expected to:
- (A) describe how the composition and structure of the oceans leads to thermohaline circulation and its periodicity;
 - (B) model and explain how changes to the composition, structure, and circulation of deep oceans affect thermohaline circulation using data on energy flow, ocean basin structure, and changes in polar ice caps and glaciers; and
 - (C) analyze how global surface ocean circulation is the result of wind, tides, the Coriolis effect, water density differences, and the shape of the ocean basins.
- (11) Science concepts. The student knows that dynamic and complex interactions among Earth's systems produce climate and weather. The student is expected to:
- (A) analyze how energy transfer through Milankovitch cycles, albedo, and differences in atmospheric and surface absorption are mechanisms of climate;
 - (B) describe how Earth's atmosphere is chemically and thermally stratified and how solar radiation interacts with the layers to cause the ozone layer, the jet stream, Hadley and Ferrel cells, and other atmospheric phenomena;

- (C) model how greenhouse gases trap thermal energy near Earth's surface;
 - (D) evaluate how the combination of multiple feedback loops alter global climate;
 - (E) investigate and analyze evidence for climate changes over Earth's history using paleoclimate data, historical records, and measured greenhouse gas levels;
 - (F) explain how the transfer of thermal energy among the hydrosphere, lithosphere, and atmosphere influences weather; and
 - (G) describe how changing surface-ocean conditions, including El Niño-Southern Oscillation, affect global weather and climate patterns.
- (12) Science concepts. The student understands how Earth's systems affect and are affected by human activities, including resource use and management. The student is expected to:
- (A) evaluate the impact on humans of natural changes in Earth's systems such as earthquakes, tsunamis, and volcanic eruptions;
 - (B) analyze the impact on humans of naturally occurring extreme weather events such as flooding, hurricanes, tornadoes, and thunderstorms;
 - (C) analyze the natural and anthropogenic factors that affect the severity and frequency of extreme weather events and the hazards associated with these events;
 - (D) analyze recent global ocean temperature data to predict the consequences of changing ocean temperature on evaporation, sea level, algal growth, coral bleaching, and biodiversity;
 - (E) predict how human use of Texas's naturally occurring resources such as fossil fuels, minerals, soil, solar energy, and wind energy directly and indirectly changes the cycling of matter and energy through Earth's systems; and
 - (F) explain the cycling of carbon through different forms among Earth's systems and how biological processes have caused major changes to the carbon cycle in those systems over Earth's history.
- (13) Science concepts. The student explores global policies and careers related to the life cycles of Earth's resources. The student is expected to:
- (A) analyze the policies related to resources from discovery to disposal, including economics, health, technological advances, resource type, concentration and location, waste disposal and recycling, mitigation efforts, and environmental impacts; and
 - (B) explore global and Texas-based careers that involve the exploration, extraction, production, use, disposal, regulation, and protection of Earth's resources.

§112.50. Environmental Systems, Adopted 2021 (One Credit).

- (a) General requirements. Students shall be awarded one credit for successful completion of this course. Prerequisite: one unit of high school biology. Recommended prerequisite: Integrated Physics and Chemistry, Chemistry, or concurrent enrollment in either course. This course is recommended for students in Grade 10, 11, or 12.
- (b) Introduction.
 - (1) Environmental Systems. In Environmental Systems, students conduct laboratory and field investigations, use scientific methods during investigations, and make informed decisions using critical thinking and scientific problem solving. Students study a variety of topics that include biotic and abiotic factors in habitats, ecosystems and biomes, interrelationships among resources and an environmental system, sources and flow of energy through an environmental system, relationship between carrying capacity and changes in populations and ecosystems, natural changes in the environment, and human activities that impact the natural environment.

- (2) Nature of science. Science, as defined by the National Academy of Sciences, is the "use of evidence to construct testable explanations and predictions of natural phenomena, as well as the knowledge generated through this process." This vast body of changing and increasing knowledge is described by physical, mathematical, and conceptual models. Students should know that some questions are outside the realm of science because they deal with phenomena that are not currently scientifically testable.
- (3) Scientific hypotheses and theories. Students are expected to know that:
- (A) hypotheses are tentative and testable statements that must be capable of being supported or not supported by observational evidence. Hypotheses of durable explanatory power that have been tested over a wide variety of conditions are incorporated into theories; and
 - (B) scientific theories are based on natural and physical phenomena and are capable of being tested by multiple independent researchers. Unlike hypotheses, scientific theories are well established and highly reliable explanations, but they may be subject to change as new areas of science and new technologies are developed.
- (4) Scientific inquiry. Scientific inquiry is the planned and deliberate investigation of the natural world using scientific and engineering practices. Scientific methods of investigation are descriptive, comparative, or experimental. The method chosen should be appropriate to the question being asked. Student learning for different types of investigations include descriptive investigations, which involve collecting data and recording observations without making comparisons; comparative investigations, which involve collecting data with variables that are manipulated to compare results; and experimental investigations, which involve processes similar to comparative investigations but in which a control is identified.
- (A) Scientific practices. Students should be able to ask questions, plan and conduct investigations to answer questions, and explain phenomena using appropriate tools and models.
 - (B) Engineering practices. Students should be able to identify problems and design solutions using appropriate tools and models.
- (5) Science and social ethics. Scientific decision making is a way of answering questions about the natural world involving its own set of ethical standards about how the process of science should be carried out. Students should be able to distinguish between scientific decision-making methods (scientific methods) and ethical and social decisions that involve science (the application of scientific information).
- (6) Science consists of recurring themes and making connections between overarching concepts. Recurring themes include systems, models, and patterns. All systems have basic properties that can be described in space, time, energy, and matter. Change and constancy occur in systems as patterns and can be observed, measured, and modeled. These patterns help to make predictions that can be scientifically tested, while models allow for boundary specification and provide tools for understanding the ideas presented. Students should analyze a system in terms of its components and how these components relate to each other, to the whole, and to the external environment.
- (7) Statements containing the word "including" reference content that must be mastered, while those containing the phrase "such as" are intended as possible illustrative examples.
- (c) Knowledge and skills.
- (1) Scientific and engineering practices. The student, for at least 40% of instructional time, asks questions, identifies problems, and plans and safely conducts classroom, laboratory, and field investigations to explain phenomena or design solutions using appropriate tools and models. The student is expected to:
 - (A) ask questions and define problems based on observations or information from text, phenomena, models, or investigations;

- (B) apply scientific practices to plan and conduct descriptive, comparative, and experimental investigations and use engineering practices to design solutions to problems;
 - (C) use appropriate safety equipment and practices during laboratory, classroom, and field investigations as outlined in Texas Education Agency-approved safety standards;
 - (D) use appropriate tools such as meter sticks, metric rulers, pipettes, graduated cylinders, standard laboratory glassware, balances, timing devices, pH meters or probes, various data collecting probes, thermometers, calculators, computers, internet access, turbidity testing devices, hand magnifiers, work and disposable gloves, compasses, first aid kits, binoculars, field guides, water quality test kits or probes, soil test kits or probes, 30 meter tape measures, tarps, shovels, trowels, screens, buckets, rock and mineral samples equipment, air quality testing devices, cameras, flow meters, Global Positioning System (GPS) units, Geographic Information System (GIS) software, computer models, densimeters, spectrophotometers, stereomicroscopes, compound microscopes, clinometers, field journals, various prepared slides, hand lenses, hot plates, Petri dishes, sampling nets, waders, leveling grade rods (Jason sticks), protractors, inclination and height distance calculators, samples of biological specimens or structures, core sampling equipment, and kick nets;
 - (E) collect quantitative data using the International System of Units (SI) and qualitative data as evidence;
 - (F) organize quantitative and qualitative data using probeware, spreadsheets, lab notebooks or journals, models, diagrams, graphs paper, computers, or cellphone applications;
 - (G) develop and use models to represent phenomena, systems, processes, or solutions to engineering problems; and
 - (H) distinguish between scientific hypotheses, theories, and laws.
- (2) Scientific and engineering practices. The student analyzes and interprets data to derive meaning, identify features and patterns, and discover relationships or correlations to develop evidence-based arguments or evaluate designs. The student is expected to:
- (A) identify advantages and limitations of models such as their size, scale, properties, and materials;
 - (B) analyze data by identifying significant statistical features, patterns, sources of error, and limitations;
 - (C) use mathematical calculations to assess quantitative relationships in data; and
 - (D) evaluate experimental and engineering designs.
- (3) Scientific and engineering practices. The student develops evidence-based explanations and communicates findings, conclusions, and proposed solutions. The student is expected to:
- (A) develop explanations and propose solutions supported by data and models and consistent with scientific ideas, principles, and theories;
 - (B) communicate explanations and solutions individually and collaboratively in a variety of settings and formats; and
 - (C) engage respectfully in scientific argumentation using applied scientific explanations and empirical evidence.
- (4) Scientific and engineering practices. The student knows the contributions of scientists and recognizes the importance of scientific research and innovation on society. The student is expected to:
- (A) analyze, evaluate, and critique scientific explanations and solutions by using empirical evidence, logical reasoning, and experimental and observational testing, so as to encourage critical thinking by the student;

- (B) relate the impact of past and current research on scientific thought and society, including research methodology, cost-benefit analysis, and contributions of diverse scientists as related to the content; and
 - (C) research and explore resources such as museums, planetariums, observatories, libraries, professional organizations, private companies, online platforms, and mentors employed in a science, technology, engineering, and mathematics (STEM) field in order to investigate STEM careers.
- (5) Science concepts. The student knows the relationships of biotic and abiotic factors within habitats, ecosystems, and biomes. The student is expected to:
- (A) identify native plants and animals within a local ecosystem and compare their roles to those of plants and animals in other biomes, including aquatic, grassland, forest, desert, and tundra;
 - (B) explain the cycling of water, phosphorus, carbon, silicon, and nitrogen through ecosystems, including sinks and human interactions that alter these cycles, using tools such as models;
 - (C) evaluate the effects of fluctuations in abiotic factors on local ecosystems and local biomes;
 - (D) measure the concentration of dissolved substances such as dissolved oxygen, chlorides, and nitrates and describe their impacts on an ecosystem;
 - (E) use models to predict how the introduction of an invasive species may alter the food chain and affect existing populations in an ecosystem;
 - (F) use models to predict how species extinction may alter the food chain and affect existing populations in an ecosystem; and
 - (G) predict changes that may occur in an ecosystem if genetic diversity is increased or decreased.
- (6) Science concepts. The student knows the interrelationships among the resources within the local environmental system. The student is expected to:
- (A) compare and contrast land use and management methods and how they affect land attributes such as fertility, productivity, economic value, and ecological stability;
 - (B) relate how water sources, management, and conservation affect water uses and quality;
 - (C) document the use and conservation of both renewable and non-renewable resources as they pertain to sustainability;
 - (D) identify how changes in limiting resources such as water, food, and energy affect local ecosystems;
 - (E) analyze and evaluate the economic significance and interdependence of resources within the local environmental system; and
 - (F) evaluate the impact of waste management methods such as reduction, reuse, recycling, upcycling, and composting on resource availability in the local environment.
- (7) Science concepts. The student knows the sources and flow of energy through an environmental system. The student is expected to:
- (A) describe the interactions between the components of the geosphere, hydrosphere, cryosphere, atmosphere, and biosphere;
 - (B) relate biogeochemical cycles to the flow of energy in ecosystems, including energy sinks such as oil, natural gas, and coal deposits;

- (C) explain the flow of heat energy in an ecosystem, including conduction, convection, and radiation; and
 - (D) identify and describe how energy is used, transformed, and conserved as it flows through ecosystems.
- (8) Science concepts. The student knows the relationship between carrying capacity and changes in populations and ecosystems. The student is expected to:
- (A) compare exponential and logistical population growth using graphical representations;
 - (B) identify factors that may alter carrying capacity such as disease; natural disaster; available food, water, and livable space; habitat fragmentation; and periodic changes in weather;
 - (C) calculate changes in population size in ecosystems; and
 - (D) analyze and make predictions about the impact on populations of geographic locales due to diseases, birth and death rates, urbanization, and natural events such as migration and seasonal changes.
- (9) Science concepts. The student knows that environments change naturally. The student is expected to:
- (A) analyze and describe how natural events such as tectonic movement, volcanic events, fires, tornadoes, hurricanes, flooding, and tsunamis affect natural populations;
 - (B) explain how regional changes in the environment may have global effects;
 - (C) examine how natural processes such as succession and feedback loops can restore habitats and ecosystems;
 - (D) describe how temperature inversions have short-term and long-term effects, including El Niño and La Niña oscillations, ice cap and glacial melting, and changes in ocean surface temperatures; and
 - (E) analyze the impact of natural global climate change on ice caps, glaciers, ocean currents, and surface temperatures.
- (10) Science concepts. The student knows how humans impact environmental systems through emissions and pollutants. The student is expected to:
- (A) identify sources of emissions in air, soil, and water, including point and nonpoint sources;
 - (B) distinguish how an emission becomes a pollutant based on its concentration, toxicity, reactivity, and location within the environment;
 - (C) investigate the effects of pollutants such as chlorofluorocarbons, greenhouse gases, pesticide runoff, nuclear waste, aerosols, metallic ions, and heavy metals, as well as thermal, light, and noise pollution;
 - (D) evaluate indicators of air, soil, and water quality against regulatory standards to determine the health of an ecosystem; and
 - (E) distinguish between the causes and effects of global warming and ozone depletion, including the causes, the chemicals involved, the atmospheric layer, the environmental effects, the human health effects, and the relevant wavelengths on the electromagnetic spectrum (IR and UV).
- (11) Science concepts. The student understands how individual and collective actions impact environmental systems. The student is expected to:
- (A) evaluate the negative effects of human activities on the environment, including overhunting, overfishing, ecotourism, all-terrain vehicles, and personal watercraft;

- (B) evaluate the positive effects of human activities on the environment, including habitat restoration projects, species preservation efforts, nature conservancy groups, game and wildlife management, and ecotourism; and
 - (C) research the advantages and disadvantages of "going green" such as organic gardening and farming, natural methods of pest control, hydroponics, xeriscaping, energy-efficient homes and appliances, and hybrid cars.
- (12) Science concepts. The student understands how ethics and economic priorities influence environmental decisions. The student is expected to:
- (A) evaluate cost-benefit trade-offs of commercial activities such as municipal development, food production, deforestation, over-harvesting, mining, and use of renewable and non-renewable energy sources;
 - (B) evaluate the economic impacts of individual actions on the environment such as overbuilding, habitat destruction, poaching, and improper waste disposal;
 - (C) analyze how ethical beliefs influence environmental scientific and engineering practices such as methods for food production, water distribution, energy production, and the extraction of minerals;
 - (D) discuss the impact of research and technology on social ethics and legal practices in situations such as the design of new buildings, recycling, or emission standards; and
 - (E) argue from evidence whether or not a healthy economy and a healthy environment are mutually exclusive.
- (13) Science concepts. The student knows how legislation mediates human impacts on the environment. The student is expected to:
- (A) describe past and present state and national legislation, including Texas automobile emissions regulations, the National Park Service Act, the Clean Air Act, the Clean Water Act, the Soil and Water Resources Conservation Act, and the Endangered Species Act; and
 - (B) evaluate the goals and effectiveness of past and present international agreements such as the environmental Antarctic Treaty System, the Montreal Protocol, the Kyoto Protocol, and the Paris Climate Accord.

§112.51. Specialized Topics in Science, Adopted 2021 (One Credit).

- (a) General requirements. Students shall be awarded one credit for successful completion of this course. Students may repeat this course with different course content for up to three credits. Recommended prerequisite: one credit of high school science.
- (b) Introduction.
 - (1) Specialized Topics in Science is intended to diversify programs of science study and give students the opportunity to study scientific topics in greater detail and with deeper understanding rather than provide remediation.
 - (A) In Specialized Topics in Science, students have the opportunity to develop greater understanding of science content beyond what is taught in other Texas Essential Knowledge and Skills-based science courses while utilizing science and engineering practices. Students understand the value and role of curiosity in any discipline of science. The specialized topic of study may originate from local or global phenomena, student interest, or teacher specialties. The emphasis of study may vary such as theoretical science, citizen science, science investigations, science careers, specialized disciplines of science, designing innovations, the ethics of science, or history of science.

- (B) By the end of Grade 12, students are expected to gain sufficient knowledge of the scientific and engineering practices across the disciplines of science to make informed decisions using critical thinking and scientific problem solving.
- (2) Statements containing the word "including" reference content that must be mastered, while those containing the phrase "such as" are intended as possible illustrative examples.
- (c) Knowledge and skills.
- (1) Scientific and engineering practices. The student, for at least 40% of instructional time, asks questions, identifies problems, and plans and safely conducts classroom, laboratory, and field investigations to explain phenomena or design solutions using appropriate tools and models. The student is expected to:
- (A) ask questions and define problems related to specialized topics of study based on observations or information from text, phenomena, models, or investigations;
- (B) apply science practices related to specialized topics of study to plan and conduct investigations or use engineering practices to design solutions to problems;
- (C) use appropriate safety equipment and practices during laboratory, classroom, and field investigations as outlined in Texas Education Agency-approved safety standards;
- (D) use tools appropriate to the specialized topic of study;
- (E) collect quantitative data using the International System of Units (SI) or qualitative data as evidence as appropriate to the specialized topic of study;
- (F) organize quantitative or qualitative data using representations appropriate to the specialized topic of study such as scatter plots, line graphs, bar graphs, charts, data tables, diagrams, scientific drawings, and student-prepared models;
- (G) develop and use models to represent phenomena, systems, processes, or solutions to problems as appropriate to the specialized topic of study; and
- (H) distinguish among scientific hypotheses, theories, and laws as appropriate to the specialized topic of study.
- (2) Scientific and engineering practices. The student analyzes and interprets data to derive meaning, identify features and patterns, and discover relationships or correlations to develop evidence-based arguments or evaluate designs. The student is expected to:
- (A) identify advantages and limitations of models such as their size, scale, properties, and materials as appropriate to the specialized topic of study;
- (B) analyze data appropriate to the specialized topic of study by identifying significant statistical features, patterns, sources of error, and limitations;
- (C) use mathematical calculations to assess quantitative relationships in data as appropriate to the specialized topic of study; and
- (D) evaluate experimental or engineering designs as appropriate to the specialized topic of study.
- (3) Scientific and engineering practices. The student develops evidence-based explanations and communicates findings, conclusions, or proposed solutions. The student is expected to:
- (A) develop explanations or propose solutions supported by data and models and consistent with scientific ideas, principles, and theories as appropriate to the specialized topic of study;
- (B) communicate explanations or solutions individually and collaboratively in a variety of settings and formats as appropriate to the specialized topic of study; and

- (C) engage respectfully in scientific argumentation using applied scientific explanations and empirical evidence as appropriate to the specialized topic of study.
- (4) Scientific and engineering practices. The student knows the contributions of scientists and recognizes the importance of scientific research and innovation on society. The student is expected to:
 - (A) analyze, evaluate, and critique scientific explanations and solutions by using empirical evidence, logical reasoning, and experimental or observational testing as appropriate to the specialized topic of study, so as to encourage critical thinking by the student;
 - (B) relate the impact of past and current research on scientific thought and society, including research methodology, cost-benefit analysis, and contributions of diverse scientists as appropriate to the specialized topic of study; and
 - (C) research and explore resources such as museums, libraries, professional organizations, private companies, online platforms, and mentors employed in a science, technology, engineering, and mathematics (STEM) field in order to investigate STEM careers as appropriate to the specialized topic of study.

Ratification of Amendments to *Proclamation 2022* of the State Board of Education Advertising for Bids on Instructional Materials

April 16, 2021

**COMMITTEE OF THE FULL BOARD: ACTION
STATE BOARD OF EDUCATION: CONSENT**

SUMMARY: This item provides an opportunity for the State Board of Education (SBOE) to ratify changes to the schedule of adoption procedures in *Proclamation 2022*, extending the deadline for submitting preliminary and final correlations, pre-adoption samples, and related deliverables and to allow publishers more time to create materials aligned to the newly revised Texas Essential Knowledge and Skills (TEKS). *Proclamation 2022* calls for instructional materials for health and physical education.

STATUTORY AUTHORITY: Texas Education Code (TEC), §31.022.

TEC, §31.022, requires the SBOE to adopt rules to provide for a full and complete investigation of instructional materials for each subject in the foundation curriculum and for each subject in the enrichment curriculum.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: *Proclamation 2022* was issued by the SBOE in April 2020.

BACKGROUND INFORMATION AND JUSTIFICATION: The health education and physical education TEKS were adopted in November 2020, five months before the due date for pre-adoption samples. Due to the volume of changes and comments received, specific information including breakouts needed by publishers to complete materials submissions was provided by TEA later than expected. Consequently, the board chair gave tentative approval to extend the deadlines in *Proclamation 2022*. The due date for preliminary correlations was moved from January 25, 2021 to March 22, 2021. The due date for final correlations, pre-adoption samples, the *Certificate of Editorial Review*, the *Affidavit of Authorship or Contribution*, and the *Report on Interoperability and Ease of Use* was moved from April 5, 2021 to May 24, 2021. The deadline for ESCs to notify TEA of any irregularities in sample materials submitted by publishers was also moved from April 12, 2021 to May 31, 2021. This item gives the board the opportunity to ratify the deadline extensions.

MOTION TO BE CONSIDERED: The State Board of Education:

Ratify amendments to the schedule of adoption procedures in *Proclamation 2022* of the State Board of Education Advertising for Bids for Instructional Materials.

Staff Members Responsible:

Melissa Lautenschlager, Director, Instructional Materials and Implementation
Amie Williams, Director, Review and Adoption

Attachment I:

Proposed Amendments to *Proclamation 2022*

ATTACHMENT

Proposed Amendments to *Proclamation 2022*, Schedule of Adoption Procedures

Publishers	Public	ESCs	TEA	Districts and Charters	SBOE
					

2021			
Monday, January 11	The Complete Description is due to TEA.		
	Each ESC must designate the person who will supervise the sample materials and publish a news release notifying area districts about the availability of materials.		 
March	TEA notifies education committee candidates of their appointment to the SRP.		 
Monday, March 22 [January 25]	Preliminary correlation document for one course is due to TEA.		
March	TEA notifies education committee candidates of their appointment to the SRP.		 
April–May	TEA provides details (dates/location) of upcoming SRP meetings to publishers.		
Monday, May 24 [April 5]	Pre-adoption samples are due to TEA.		  
	Pre-adoption samples are due to each of the twenty ESCs.		
	Final correlation documents are due to TEA.		
	Final correlation documents are due to each of the twenty ESCs.		

Purple – move

Green – addition

Red – deletion

Blue - hyperlink

2021 (continued)			
Date	Activity or Deliverable	Responsible Party	Recipient and/or Audience
Monday, May 24 [April 5] (continued)	The Certification of Editorial Review is due to TEA.		
	The Affidavit of Authorship or Contribution is due to TEA.		
	The Report on Interoperability and Ease of Use is due to TEA.		 
Monday, May 31 [April 12]	ESCs must notify TEA of any irregularities in sample materials submitted by publishers.		 
[April–May]	[TEA provides details (dates/location) of upcoming SRP meetings to publishers.]		
June–July	TEA hosts SRP meetings .		 
August	TEA releases the preliminary report on instructional materials under consideration.		   
Monday, August 16	Requests for show-cause hearings are due to TEA from eligible publishers that elect to protest the preliminary report.		
Monday, August 23	Electronic samples of new content provided to and approved by the SRP are due to TEA.		
	The List of Corrections and Editorial Changes is due to TEA.		
	The Application for Texas Identification Number is due to TEA from publishers without EMAT username and password.		

Purple – move

Green – addition

Red – deletion

Blue - hyperlink

**Ratification of Texas Essential Knowledge and Skills and Texas Prekindergarten Guidelines
Coverage in Materials Submitted for the Texas Resource Review**

April 16, 2021

**COMMITTEE OF THE FULL BOARD: ACTION
STATE BOARD OF EDUCATION: CONSENT**

SUMMARY: This item provides the opportunity for the State Board of Education (SBOE) to ratify the report from the Texas Essential Knowledge and Skills (TEKS) and Texas Prekindergarten Guidelines (TPG) review committees regarding materials that were submitted for the Texas Resource Review (TRR). This item presents the final report from the commissioner of education regarding the coverage of the TEKS and TPG.

STATUTORY AUTHORITY: Texas Education Code ([TEC](#)), [§31.081](#) and [§31.082](#).

TEC, §31.081(a) requires the commissioner to develop and maintain a web portal to assist school districts and open-enrollment charter schools in selecting instructional materials.

TEC, §31.082(a) requires the commissioner to contract with a private entity to conduct an independent analysis of each instructional material submitted by a publisher for inclusion in the web portal developed under §31.081.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: The SBOE received an update at the September 2020 meeting on the TRR.

BACKGROUND INFORMATION AND JUSTIFICATION: The commissioner of education is required to develop and maintain a web portal that includes general information for each material submitted for review, evaluation of the quality of the material and the extent to which it covers the TEKS or TPG, and a repository of open educational resources, including state-developed materials; create procedures for submitting materials to the web portal; use a competitive process to contract for the development of the portal; and contract with a private entity to conduct an independent analysis of materials submitted for review.

MOTION TO BE CONSIDERED: The State Board of Education:

Ratify the report of the commissioner of education regarding TEKS and TPG alignment in instructional materials submitted to Texas Resource Review.

Staff Members Responsible:

Melissa Lautenschlager, Director, Instructional Materials and Implementation
Amie Williams, Director, Review and Adoption

[Attachment I:](#)

Report of the commissioner of education regarding TPG alignment in instructional materials submitted to Texas Resource Review June 2020 TRR Cycle

Attachment II:

Report of the commissioner of education regarding TEKS alignment in instructional materials submitted to Texas Resource Review July 2020 TRR Cycle

Attachment III:

Summer 2020 Texas Resource Review *Report of Required Corrections*

Attachment IV:

Summer 2020 Texas Resource Review *Editorial Changes*

Attachment V:

Summer 2020 Texas Resource Review *State Review Panel Comments*

Publisher	Title	I: Social & Emotional		II: Language & Development		III: Emergent Literacy Reading		IV: Emergent Literacy Writing		V: Math		VI: Science		VII: Social Studies		VIII: Fine Arts		IX: Physical Development		X: Tech Apps	
		Student	Teacher	Student	Teacher	Student	Teacher	Student	Teacher	Student	Teacher	Student	Teacher	Student	Teacher	Student	Teacher	Student	Teacher	Student	Teacher
Appletree	<i>Every Child Ready Curriculum</i>	100.00%	100.00%	87.50%	96.15%	100.00%	100.00%	80.00%	80.00%	90.91%	86.96%	100.00%	100.00%	85.71%	81.81%	100.00%	83.33%	100.00%	100.00%	25.00%	20.00%

Course/Publisher	Title	TEKS: Student %	TEKS: Teacher %	ELPS: Student %	ELPS: Teacher %
Math, Kindergarten					
STEMscope (Accelerate Learning)	<i>STEMscopes Math, grade K</i>	100.00%	100.00%	N/A	100.00%
Math, Grade 1					
STEMscope (Accelerate Learning)	<i>STEMscopes Math, grade 1</i>	100.00%	100.00%	N/A	100.00%
Math, Grade 2					
STEMscope (Accelerate Learning)	<i>STEMscopes Math, grade 2</i>	100.00%	100.00%	N/A	100.00%
Math, Grade 3					
STEMscope (Accelerate Learning)	<i>STEMscopes Math, grade 3</i>	100.00%	100.00%	N/A	100.00%
Math, Grade 4					
STEMscope (Accelerate Learning)	<i>STEMscopes Math, grade 4</i>	100.00%	100.00%	N/A	100.00%
Math, Grade 5					
STEMscope (Accelerate Learning)	<i>STEMscopes Math, grade 5</i>	100.00%	100.00%	N/A	100.00%

Summer 2020 Texas Resource Review
Report of Required Corrections

Appletree						
Prekindergarten Systems, English						
<i>Every Child Ready Curriculum</i>						
Identified By	Item Type	Component ISBN	Page Number	Specific Location	Description of Exact Text Being Changed	Description of Exact New Text
State Review Panel	Teacher	N/A	N/A	Parts of a Building Lesson/Materials box at top	awing instead of awning	Changed awing to awning
State Review Panel	Teacher	N/A	N/A	T1 Oral Grammar-Plan Overview	This crease more complex...instead of creates?	Changed crease to creates
State Review Panel	Teacher	N/A	N/A	My Past --Introduce	Have you always be a _____?.... instead of been	Changed from be to been
State Review Panel	Teacher	N/A	N/A	Our Earth- Read 1 (Prepare box)	Table the cards to the board.....tape?	Changed from table to tape
State Review Panel	Teacher	N/A	N/A	Our Earth- Read 1 (During reading)	Island are made by volcanoes---islands	Chnaged from island to islands

Summer 2020 Texas Resource Review
Editorial Changes

AppleTree Institute							
Prekindergarten, English <i>Every Child Ready</i>							
Change Type	Identified By	Item Type	Component ISBN	Page Number	Specific Location	Description of Exact Text Being Changed	Description of Exact New Text
New Content	Publisher	Teacher	N/A	N/A	PK3, Unit 4, Week 3, Day 1, Morning Meeting - Personal Space Game. "Learning Activity" section	N/A	We are going to practice giving others space. Say, space. Space means how close (put hands together) or far (spread arms out) you are. Your personal space is the space around your body that helps you to feel calm and comfortable.
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 6, Week 3, Day 3, Journaling - What healthy foods do you like to eat? "Teacher Model" and "Conferencing" sections.	N/A	Extend the lesson by modeling how to revise your list. Read the list back to the class. Hmm, I like bananas and tomatoes more than I like blueberries. I am going to revise or change my list. Cross off blueberries and rewrite the list with just bananas and tomatoes. If possible, support children in revising their list by adding or removing items.
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 6, Week 3, Day 3, Journaling - What healthy foods do you like to eat? "Teacher Model" and "Conferencing" sections.	N/A	Extend the lesson by modeling how to revise your list. Read the list back to the class. Hmm, I like bananas and tomatoes more than I like blueberries. I am going to revise or change my list. Cross off blueberries and rewrite the list with just bananas and tomatoes. If possible, support children in revising their list by adding or removing items.
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 3, Week 4, Day 2, Journaling - Write or draw the steps to build a road. "Teacher Modeling" and "Conferencing" sections.	N/A	As you write the steps, place 1 step out of order. After writing the steps, go back and read your response. Oh, I think you _____ before you _____. Let me change the order of my writing. Model revising your work and writing the steps in the correct order. After children complete their writing, ask them to explain the steps to you. Note if children get any of the steps out of order. Hmm, I think that _____ comes before _____. Can I help you change or revise your work?
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 3, Week 4, Day 2, Journaling - Write or draw the steps to build a road. "Teacher Modeling" and "Conferencing" sections.	N/A	As you write the steps, place 1 step out of order. After writing the steps, go back and read your response. Oh, I think you _____ before you _____. Let me change the order of my writing. Model revising your work and writing the steps in the correct order. After children complete their writing, ask them to explain the steps to you. Note if children get any of the steps out of order. Hmm, I think that _____ comes before _____. Can I help you change or revise your work?

Summer 2020 Texas Resource Review
Editorial Changes

Change Type	Identified By	Item Type	Component ISBN	Page Number	Specific Location	Description of Exact Text Being Changed	Description of Exact New Text
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 5, Week 3, Day 1, Journaling - Have you been on a road trip like Patrick? "Teacher Model" and Conferencing" sections.	N/A	Write NEW YORK as the answer to the prompt, but don't leave any spaces between words. Hmm, I know that when I write words, I need to leave spaces between words. I forgot! I need to revise my work! If children forgot to leave a space between words, help them revise their work as needed.
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 5, Week 3, Day 1, Journaling - Have you been on a road trip like Patrick? "Teacher Model" and Conferencing" sections.	N/A	Write NEW YORK as the answer to the prompt, but don't leave any spaces between words. Hmm, I know that when I write words, I need to leave spaces between words. I forgot! I need to revise my work! If children forgot to leave a space between words, help them revise their work as needed.
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 3, Week 4, Day 2, Read Aloud - Roadwork Read 3. "After Reading" section.	N/A	Today we are going to put in order the steps to build a road. When we are done, we will check our work. Prompt children to describe in order the steps to building a road. Record children's responses What step is first? How do you know? What comes next? What step is last? Let's check our work! Picture walk through the book, highlighting the major steps. Refer to children's list as you picture walk. How did we do sequencing or putting in order the steps to building a road?
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 3, Week 4, Day 2, Read Aloud - Roadwork Read 3. "After Reading" section.	N/A	Today we are going to put in order the steps to build a road. When we are done, we will check our work. Prompt children to describe in order the steps to building a road. Record children's responses What step is first? How do you know? What comes next? What step is last? Let's check our work! Picture walk through the book, highlighting the major steps. Refer to children's list as you picture walk. How did we do sequencing or putting in order the steps to building a road?

Summer 2020 Texas Resource Review
Editorial Changes

Change Type	Identified By	Item Type	Component ISBN	Page Number	Specific Location	Description of Exact Text Being Changed	Description of Exact New Text
New Content	Publisher	Student	N/A	N/A	PK4, Unit 9, Week 1, Day 1 - Centers. Counting and Adding Sets - Learning Activity (Activity #1)	N/A	Extend the lesson by encouraging children to use drawings to practice addition using counting. I have 2 linking cubes. Can you draw 2 linking cubes in the top box? Now, I have 2 more linking cubes. How many linking cubes will you draw in this box? Now let's put the groups together and count how many linking cubes I have all together. Support children in drawing 4 linking cubes in the bottom box. Have the child count. How many cubes do we have all together?
New Content	Publisher	Student	N/A	N/A	PK4, Unit 9, Week 1, Day 1 - Centers. Counting and Adding Sets - Learning Activity (Activity #1)	N/A	Extend the lesson by encouraging children to use drawings to practice addition using counting. I have 2 linking cubes. Can you draw 2 linking cubes in the top box? Now, I have 2 more linking cubes. How many linking cubes will you draw in this box? Now let's put the groups together and count how many linking cubes I have all together. Support children in drawing 4 linking cubes in the bottom box. Have the child count. How many cubes do we have all together?
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 10, Week 3, Day 2, Morning Meeting - Add It - Learning Activity. "Extend the lesson by creating a class story problem using the numbers rolled on the dice."	N/A	Extend the lesson by creating a class story problem using the numbers rolled on the dice.
New Content	Publisher	Teacher	N/A	N/A	PK4, Unit 10, Week 3, Day 2, Morning Meeting - Add It - Learning Activity. "Extend the lesson by creating a class story problem using the numbers rolled on the dice."	N/A	Extend the lesson by creating a class story problem using the numbers rolled on the dice.

Summer 2020 Texas Resource Review
Editorial Changes

Accelerate Learning, Inc.							
Math, Grade 2							
STEMscopes Texas Math - Grade 2 (9781643064420)							
Change Type	Identified By	Item Type	Component ISBN	Page Number	Specific Location	Description of Exact Text Being Changed	Description of Exact New Text
Editorial Change	State Review Panel	Teacher	9781643064420	TEKS Line 714	Explore 2 — Addition With More Than Two 2-Digit Numbers - Procedure and Facilitation Points - Step 5 and Math Chat	Lesson could be clearer with how teachers have students explain their use of properties of operations - how will the teacher evaluate this for all students?	Step 5 - Bullet C Added "We added these two numbers first even though it was not the order of our number sentence." Math Chat - Questions 2 and 3 - Do you have to add the numbers in a certain order? Explain. What numbers could you add first to make it easier to solve this number sentence?
Editorial Change	State Review Panel	Teacher	9781643064420	ELPS 2C i-iv	ELPS supports in the purple box	Sentence frames were provided, but more specific teacher support would help to address each part of the ELPS better (for example a word bank provided for 2Ciii)	ELPS Strategies - Purple Box - Last Sentence "Teachers can also provide a word bank to assist with basic and academic vocabulary."
Editorial Change	State Review Panel	Teacher	9781643064420	ELPS 2Dii	ELPS supports in the purple box	More teacher direction on how to assist beginning EL students in seeking clarification (ie a thumbs up/thumbs down signal) would more specifically address this standard	ELPS Strategies - Purple Box - Last Two Sentences - "Students can give a thumbs up or thumbs down to help the teacher monitor for understanding. A thumbs down is useful when seeking clarification of spoken language."
Editorial Change	State Review Panel	Teacher	9781643064420	ELPS 3Civ	ELPS supports in the purple box	Sentence frames given in the purple box are actually sentence starters, and these serve different purposes. Including sentence frames that use conjunctions to connect ideas would more effectively address this standard. Good examples are provided in Navigating the ELPS in the Math Classroom.	ELPS Strategies - Purple Box - Rewrote all sentence frames - "Expanded form is the ___ of the value of each ____. We had ___ groups of ____, so we had to regroup to make ____. We used ___ flats to build ____. We used ___ rods to build ____. We used ___ units to build ___."

Summer 2020 Texas Resource Review
State Review Panel Comments

Accelerate Learning, Inc.						
Math, Grade 2 STEMscopes Texas Math - Grade 2 (ISBN 9781643064420)						
Identified By	Item Type	Component ISBN	Page Number		Comment	Publisher Response
State Review Panel	Teacher	9781643064420	ELPS 2C i-iv	ELPS supports in the purple box	Sentence frames were provided, but more specific teacher support would help to address each part of the ELPS better (for example a word bank provided for 2Ciii)	ELPS Strategies - Purple Box - Last Sentence "Teachers can also provide a word bank to assist with basic and academic vocabulary."
State Review Panel	Teacher	9781643064420	ELPS 2Dii	ELPS supports in the purple box	More teacher direction on how to assist beginning EL students in seeking clarification (ie a thumbs up/thumbs down signal) would more specifically address this standard	ELPS Strategies - Purple Box - Last Two Sentences - "Students can give a thumbs up or thumbs down to help the teacher monitor for understanding. A thumbs down is useful when seeking clarification of spoken language."
State Review Panel	Teacher	9781643064420	ELPS 3Civ	ELPS supports in the purple box	Sentence frames given in the purple box are actually sentence starters, and these serve different purposes. Including sentence frames that use conjunctions to connect ideas would more effectively address this standard. Good examples are provided in Navigating the ELPS in the Math Classroom.	ELPS Strategies - Purple Box - Rewrote all sentence frames - "Expanded form is the ___ of the value of each ___. We had ___ groups of ___, so we had to regroup to make ___. We used ___ flats to build ___. We used ___ rods to build ___. We used ___ units to build ___."
State Review Panel	Teacher	9781643064420	TEKS Line 714	Explore 2 — Addition With More Than Two 2-Digit Numbers - Procedure and Facilitation Points - Step 5 and Math Chat	Lesson could be clearer with how teachers have students explain their use of properties of operations - how will the teacher evaluate this for all students?	Step 5 - Bullet C Added "We added these two numbers first even though it was not the order of our number sentence." Math Chat - Questions 2 and 3 - Do you have to add the numbers in a certain order? Explain. What numbers could you add first to make it easier to solve this number sentence?

Update on Texas Essential Knowledge and Skills (TEKS) Review

April 16, 2021

COMMITTEE OF THE FULL BOARD: ACTION STATE BOARD OF EDUCATION: ACTION

SUMMARY: This item provides the opportunity for staff to present an update on the review of the Texas Essential Knowledge and Skills (TEKS) and the English Language Proficiency Standards (ELPS) and for the board to provide additional guidance to TEKS and ELPS review work groups. The board will also have an opportunity to take action on the schedule for review and revision of the TEKS and the review and adoption cycle for instructional materials aligned to revised TEKS.

STATUTORY AUTHORITY: Texas Education Code (TEC), §§7.102(c)(4); 28.002(a) and (c); and 28.025(a).

TEC, §7.102(c)(4), requires the State Board of Education (SBOE) to establish curriculum and graduation requirements.

TEC, §28.002(a), identifies the subjects of the required curriculum.

TEC, §28.002(c), requires the SBOE to by rule identify the essential knowledge and skills of each subject in the required curriculum that all students should be able to demonstrate and that will be used in evaluating instructional materials and addressed on the state assessment instruments.

TEC, §28.025(a), requires the SBOE to by rule determine the curriculum requirements for the foundation high school graduation program that are consistent with the required curriculum under the TEC, §28.002.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: The SBOE adopted the TEKS for all subjects effective September 1, 1998. The English language arts and reading TEKS were amended effective September 4, 2008. The Spanish language arts and reading TEKS were amended effective November 26, 2008. The TEKS for high school English elective courses were amended effective August 23, 2010. The English and Spanish language arts and reading TEKS for Kindergarten-Grade 8 were amended effective September 25, 2017, and the English language arts and reading and English as a second language (ESL) TEKS for high school were amended effective November 12, 2017. The K-12 TEKS for English and Spanish language arts and reading were again amended effective August 1, 2019, to make technical adjustments to the standards. The mathematics TEKS were amended effective August 1, 2006. The secondary mathematics TEKS were amended effective February 22, 2009. The mathematics TEKS were again amended effective September 12, 2012. The science TEKS were amended effective August 4, 2009 and were amended again to streamline the science TEKS effective August 27, 2018. The social studies TEKS were amended effective August 23, 2010 and were amended again to streamline the social studies TEKS in 2018. The streamlined social studies TEKS for middle and high school social studies were effective August 1, 2019 for implementation beginning with the 2019-2020 school year. The streamlined Kindergarten-Grade 5 social studies TEKS are scheduled for implementation in the 2020-2021 school year. The career and technical education (CTE) TEKS were amended effective August 23, 2010. The CTE TEKS were again amended effective August 28, 2017 and implemented in the 2017-2018 school year. The fine arts TEKS were amended effective August 24, 2015. The TEKS for languages other than English (LOTE) were amended effective July 15, 2014, and December 31, 2014, and were implemented in the 2017-2018 school year. The technology applications TEKS were amended effective September 26, 2011. At the November 2020

meeting, the board gave final approval to the health education TEKS and the physical education TEKS, which are scheduled to be effective August 1, 2022. The board also gave final approval in November 2020 to TEKS for four high school science courses to be implemented beginning with the 2023-2024 school year.

At the June 2019 SBOE meeting, the board held a work session to discuss updating the TEKS and instructional materials review and adoption schedule. At the September 2019 meeting, the board approved the schedule through the 2030-2031 school year. The board held another work session to discuss updates to the TEKS and instructional materials review and adoption schedule at the January 2021 meeting.

BACKGROUND INFORMATION AND JUSTIFICATION: The board received training from a standards writing advisor at the July 2014 meeting. The standards writing advisor provided additional training to Texas Education Agency (TEA) staff in October 2014 to support future facilitation of the TEKS review committees.

The 2017 TEKS review and revision process was used for the streamlining of the social studies TEKS. At the November 2018 meeting, the SBOE approved updates to the 2017 TEKS review and revision process to better clarify the process. The complete updated process will be used for the review of the physical education, health education, and science TEKS.

The SBOE began the review of the English Language Proficiency Standards (ELPS) in early 2019, in accordance with the SBOE's approved TEKS and instructional materials review schedule. Applications to serve on ELPS review work groups were posted on the TEA website in December 2018. Also in December 2018, TEA distributed a survey to collect information from educators regarding the review and revision of the ELPS.

In preparation for the review of the science TEKS, SBOE members were asked at the September 2019 meeting to designate science content advisors. Applications to serve on the science TEKS review work groups were posted on the TEA website in November 2019, and in December 2019, TEA distributed a survey to collect information from educators regarding the review and revision of the science TEKS. TEA staff provided applications for approval by SBOE members in January, February, March, May, July, October, and December 2020. At the November 2020 meeting, the board gave final approval to revised TEKS for four high school science courses: Biology, Chemistry, Integrated Physics and Chemistry, and Physics.

At the January 2021 meeting, the board held a work session to discuss the timeline for the TEKS review and revision process and associated activities, including updates to State Board for Educator Certification teacher assignment rules and certification exams, adoption of instructional materials, and the completion of the Texas Resource Review. TEA provided an overview of career and technical education (CTE) programs of study and a skills gap analysis that is being completed to inform review and revision of the CTE TEKS. The board discussed potential adjustments to the TEKS and Instructional Materials Review and Adoption Schedule.

Also during the work session, staff provided an update on plans for the review and revision of CTE courses that satisfy a science graduation requirement as well as certain courses in the health science, education and training, and science, technology, engineering, and mathematics (STEM) programs of study. Applications to serve on these CTE TEKS review work groups were posted on the TEA website in December 2020. TEA staff provided SBOE members applications for approval to serve on a CTE work group at the January 2021 SBOE meeting. Additional applications were provided to SBOE members in February and March 2021. Work groups were convened to develop recommendations for the CTE courses in March 2021.

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services

Shelly Ramos, Senior Director, Curriculum Standards and Student Support

Texas Certificate of High School Equivalency

April 16, 2021

COMMITTEE OF THE FULL BOARD: ACTION STATE BOARD OF EDUCATION: ACTION

SUMMARY: This item provides the opportunity for staff to brief committee members on the responses to the Texas Certificate of High School Equivalency Request for Proposals (RFP) that was issued to solicit test providers relating to 19 Texas Administrative Code (TAC) Chapter 89, Texas Certificate of High School Equivalency and for the committee to approve recommended test provider(s).

STATUTORY AUTHORITY: Texas Education Code (TEC), §7.111.

Texas Education Code (TEC), §7.111, requires the State Board of Education (SBOE) to adopt rules to develop and deliver high school equivalency examinations and provide for the administration of the examinations online.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: The SBOE adopted 19 TAC Chapter 89, Adaptations for Special Populations, Subchapter C, Texas Certificate of High School Equivalency, to be effective September 1, 1996. Rules in 19 TAC Subchapter C, were last amended to be effective December 25, 2016. The content of the RFP was presented to the SBOE for approval at the November 2020 meeting.

BACKGROUND INFORMATION AND JUSTIFICATION: In January 2015, the Texas Education Agency (TEA) released a competitive request for RFP to solicit proposals for a provider for the Texas Certificate of High School Equivalency examination. At the April 2015 SBOE meeting, TEA staff presented the results of the RFP. The SBOE requested that TEA extend the existing provider's Memorandum of Understanding for six months beyond the expiration date and begin the development of a new RFP to potentially identify multiple test providers.

At the July 2015 meeting, the committee held a public hearing. Additionally, at the July 2015 meeting, the board approved a decision matrix of requirements to be included in a future RFP. During the September 2015 meeting, the board approved the competitive RFP to be released in fall 2015.

On January 29, 2016, the board voted to award contracts to three companies, Data Recognition Corporation, Educational Testing Service, and GED Testing Service, to provide high school equivalency assessments in Texas. On September 16, 2016, the board gave the chair authority to sign new contracts with vendors beginning October 8, 2016, or when the vendors were ready to provide services and staff and the board chair were confident the vendor was able to execute the terms of the Request for Proposals.

On November 18, 2016, the board approved expanding the entities eligible to serve as official paper-based testing centers and defined the requirements for paper-based testing centers.

On November 16, 2018 the board instructed staff to proceed with renewal of existing contracts.

On February 1, 2019, the board approved the contract renewal for GED Testing Service with no amendments and approved the contract renewal for Educational Testing Service with an amendment to

increase pricing for certain tests and services. Data Recognition Corporation notified TEA that it did not wish to renew its contract which would expire on August 31, 2019.

On November 15, 2019, the board instructed staff to proceed with the fiscal year 2021 renewal of existing contracts with GED Testing Service and Educational Testing Service and to proceed with the competitive procurement process for a fiscal year 2022 award.

On November 20, 2020, the board approved the content of the Texas Certificate of High School Equivalency RFP for test providers.

MOTION TO BE CONSIDERED: The State Board of Education:

Approve award of contract(s) for the Texas Certificate of High School Equivalency test provider(s) as shown in the separate exhibit.

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services

Cindee Tonnesen, Assistant Director, Texas Certificate of High School Equivalency, College, Career, and Military Preparation

Separate Exhibit:

Recommended Texas Certificate of High School Equivalency Test Provider(s)

**Adoption of Review of 19 TAC Chapter 101, Assessment, Subchapter A, General Provisions,
Subchapter B, Implementation of Assessments, and Subchapter C, Local Option
(Adoption of Review)**

April 16, 2021

**COMMITTEE OF THE FULL BOARD: ACTION
STATE BOARD OF EDUCATION: CONSENT**

SUMMARY: Texas Government Code (TGC), §2001.039, establishes a four-year rule review cycle for all state agency rules, including State Board of Education (SBOE) rules. This item presents the review of 19 Texas Administrative Code (TAC) Chapter 101, Assessment, Subchapter A, General Provisions, Subchapter B, Implementation of Assessments, and Subchapter C, Local Option. The rules being reviewed address the development and administration of tests, voluntary assessment of private school students, the schedule for the release of tests, and administration and reporting of group-administered achievement tests.

STATUTORY AUTHORITY: The statutory authority for the rule review is [TGC, §2001.039](#). The statutory authority for 19 TAC Chapter 101, Subchapters A-C, is Texas Education Code ([TEC](#)), [§§39.021, 39.022, 39.023, 39.025, 39.032, and 39.033](#).

TGC, §2001.039, requires a state agency to review and consider for reoption each of its rules.

TEC, §39.021, requires that the SBOE by rule establish the Texas Essential Knowledge and Skills (TEKS) that all students should learn.

TEC, §39.022, requires that the SBOE by rule create and implement a statewide assessment program that is knowledge- and skills-based to ensure school accountability for student achievement.

TEC, §39.023, requires school districts to administer the Grades 3-8 state-developed assessments and the end-of-course assessments to all eligible students.

TEC, §39.025, requires a student to pass each end-of-course assessment listed in TEC, §39.023(c), only for a course in which the student is enrolled and for which an end-of-course assessment is administered in order to receive a Texas diploma.

TEC, §39.032, requires the SBOE to adopt rules to implement assessment instrument standards for group-administered achievement tests.

TEC, §39.033, allows for the voluntary assessment of private school students and requires the SBOE to determine the cost of administering the assessment instrument.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: The review of 19 TAC Chapter 101, Subchapters A-C, was presented to the SBOE for discussion at the January 2021 meeting.

BACKGROUND INFORMATION AND JUSTIFICATION: The goal of the Texas assessment

program is to measure and support student progress toward achieving academic success. The primary purpose of the state student assessment program is to provide an accurate measure of student achievement in the areas of reading, writing, mathematics, social studies, and science. Based on the requirements of the TEC, the assessment program evaluates the degree to which students have mastered the state-mandated curriculum, the Texas Essential Knowledge and Skills (TEKS).

In 2007, the 80th Texas Legislature enacted Senate Bill (SB) 1031, and in 2009, the 81st Texas Legislature enacted House Bill (HB) 3, both of which made significant changes to the Texas student assessment program and required the development and implementation of the State of Texas Assessments of Academic Readiness (STAAR®) program. With HB 2135 in 2011, the 82nd Texas Legislature further modified assessment requirements for students who test above grade level. HB 5, passed by the 83rd Texas Legislature in 2013, and HB 2349, passed by the 84th Texas Legislature in 2015, amended state assessment graduation requirements. In the 2016–2017 school year, to meet the legislative requirements of HB 743, 84th Texas Legislature, 2015, the total length of each STAAR® Grades 3–8 assessment was reduced. In response to these changes, the commissioner of education has adopted and amended rules as necessary to implement the legislative requirements for the STAAR® assessment program. The commissioner rules include student testing requirements, grade advancement requirements, testing requirements for graduation, released test requirements, and accelerated instruction requirements.

According to the TEC, the SBOE is responsible for adopting rules related to the general establishment of the assessment program for purposes of accountability. This SBOE requirement is met through the following rules in 19 TAC Chapter 101.

- In Subchapter A, §101.1, Scope of Rules, §101.3, Policy, and §101.5, Student Testing Requirements, establish the assessment program and require all students receiving instruction in the TEKS to be assessed.
- In Subchapter B, §101.25, Schedule, and §101.27, Administrative Procedures, specify that the commissioner will adopt a schedule for administering the assessments and require uniform administrative procedures. Section 101.31, Private Schools, establishes provisions for the voluntary assessment of private school students. As provided by TEC, §39.033(c), the SBOE approves the per-student costs for private schools that administer state assessments. Section 101.33, Release of Tests, establishes a release test schedule in accordance with TEC, §39.023(e).
- In Subchapter C, §101.101, Group-Administered Tests, governs the administration and renorming of local option group-administered assessments as authorized under TEC, §39.026 and §39.032.

At a future meeting, (TEA) staff plans to present an amendment to 19 TAC Chapter 101, Assessment, Subchapter B, Implementation of Assessments, §101.25, Schedule, to remove the reference to TEC, §39.023(c-3)(1) and (2), as those provisions were removed as a result of HB 3906, 86th Texas Legislature, 2019.

PUBLIC COMMENTS: The TEA filed the proposed review of 19 TAC Chapter 101, Subchapters A-C, with the Texas Register following the January 2021 SBOE meeting. The public comment period on the proposed review began March 5, 2021, and ended April 9, 2021. At the time this item was prepared, no comments had been received regarding this review. Any public comments received will be provided to the SBOE during the April 2021 meeting. The SBOE will take registered oral and written comments on the proposed review at the committee meeting in April 2021 in accordance with the SBOE board operating policies and procedures.

MOTION TO BE CONSIDERED: The State Board of Education:

Adopt the review of 19 TAC Chapter 101, Assessment, Subchapter A, General

Provisions, Subchapter B, Implementation of Assessments, and Subchapter C, Local Option.

Staff Members Responsible:

Iris Tian, Director, Student Assessment

Julie Cole, Director of Policy and Publications, Student Assessment

Spencer Barr, Senior Policy Analyst, Student Assessment

Attachment:

Text of 19 TAC Chapter 101, Assessment, Subchapter A, General Provisions, Subchapter B, Implementation of Assessments, and Subchapter C, Local Option

ATTACHMENT

Chapter 101. Assessment

Subchapter A. General Provisions

§101.1. Scope of Rules.

- (a) The State Board of Education (SBOE) shall:
 - (1) create and implement the statewide assessment program to ensure the program supports the goals of education as specified in the Texas Education Code (TEC); and
 - (2) establish goals for the statewide assessment program.
- (b) When adopting rules, the SBOE shall maintain the stability of the statewide assessment program to the greatest extent possible in accordance with the TEC, Chapter 39, Subchapter B.
- (c) The statewide assessment program consists of the following criterion-referenced tests:
 - (1) the assessments of academic readiness in English and Spanish for the grades and subjects as specified in the TEC, Chapter 39, Subchapter B;
 - (2) the alternative assessments of academic readiness for eligible students receiving special education services as specified in the TEC, Chapter 39, Subchapter B;
 - (3) the assessments required for graduation as specified in the TEC, Chapter 39, Subchapter B; and
 - (4) the reading proficiency tests in English for eligible limited English proficient students as specified in the TEC, Chapter 39, Subchapter B.

Statutory Authority: The provisions of this §101.1 issued under the Texas Education Code, §39.023 and §39.025.

Source: The provisions of this §101.1 adopted to be effective November 15, 2001, 26 TexReg 9091; amended to be effective March 14, 2013, 38 TexReg 1676.

§101.3. Policy.

- (a) The goal of the statewide assessment program is to provide all eligible Texas students an appropriate statewide assessment that measures and supports their achievement of the essential knowledge and skills of the state-mandated curriculum.
- (b) To maximize its effectiveness for educators and students, the statewide assessment program shall be based on the following quality standards.
 - (1) Tests shall be aligned to the essential knowledge and skills of the state-mandated curriculum in all subject areas tested.
 - (2) Tests shall be reliable and valid measures of the essential knowledge and skills and shall be administered in a standardized manner.
 - (3) Test results at the student, campus, district, regional, and state levels shall be reported in a timely and accurate manner.

Statutory Authority: The provisions of this §101.3 issued under the Texas Education Code, Chapter 39, Subchapter B.

Source: The provisions of this §101.3 adopted to be effective August 15, 2002, 27 TexReg 7106.

§101.5. Student Testing Requirements.

Every student receiving instruction in the essential knowledge and skills shall take the appropriate criterion-referenced assessments, as required by the Texas Education Code (TEC), Chapter 39, Subchapter B.

Statutory Authority: The provisions of this §101.5 issued under the Texas Education Code, §39.023 and §39.025.

Source: The provisions of this §101.5 adopted to be effective November 15, 2001, 26 TexReg 9091; amended to be effective March 23, 2005, 30 TexReg 1632; amended to be effective December 23, 2009, 34 TexReg 9200; amended to be effective March 14, 2013, 38 TexReg 1676.

Subchapter B. Implementation of Assessments

§101.25. Schedule.

- (a) The commissioner of education shall specify the schedule for testing and field testing that is in compliance with the Texas Education Code (TEC), §39.023(c-3)(1) and (2), and supports reliable and valid assessments.
- (b) The superintendent of each school district or chief administrative officer of each charter school and any private school administering the tests as allowed under the TEC, §39.033, shall be responsible for administering tests.
- (c) The commissioner of education may provide alternate dates for the administration of tests required for a high school diploma to students who are migratory children, as defined in the TEC, §39.029, and who are out of the state.
- (d) Participation in University Interscholastic League area, regional, or state competitions is prohibited on any days on which testing is scheduled between Monday and Thursday of the school week in which the primary administration of assessment instruments under the TEC, §39.023(a), (c), or (l), occurs.

Statutory Authority: The provisions of this §101.25 issued under the Texas Education Code, §39.023 and §39.025.

Source: The provisions of this §101.25 adopted to be effective November 15, 2001, 26 TexReg 9091; amended to be effective May 28, 2006, 31 TexReg 4196; amended to be effective March 14, 2013, 38 TexReg 1676.

§101.27. Administrative Procedures.

A school district, charter school, or private school administering the tests required by the Texas Education Code (TEC), Chapter 39, Subchapter B, shall follow procedures specified in the applicable test administration materials.

Statutory Authority: The provisions of this §101.27 issued under the Texas Education Code, §39.023 and §39.025.

Source: The provisions of this §101.27 adopted to be effective November 15, 2001, 26 TexReg 9091; amended to be effective March 14, 2013, 38 TexReg 1676.

§101.31. Private Schools.

- (a) A private school administering the assessments under the Texas Education Code (TEC), Chapter 39, Subchapter B, shall follow procedures specified in the applicable test administration materials. Each private school shall maintain test security and confidentiality as delineated in the TEC, §39.030.
- (b) A private school administering the assessments under the TEC, Chapter 39, Subchapter B, shall reimburse the Texas Education Agency for each assessment administered. The per-student cost may not exceed the cost of administering the same assessment to a student enrolled in a school district.
- (c) A private school administering the assessments under the TEC, Chapter 39, Subchapter B, shall provide to the commissioner of education, as required by law and determined appropriate by the commissioner, academic excellence indicator information described in the TEC, §39.053(c) and §39.301(c). For indicator information defined and collected through the Public Education Information Management System (PEIMS), private schools shall follow the PEIMS Data Standards.

Statutory Authority: The provisions of this §101.31 issued under the Texas Education Code, Chapter 39, Subchapter B.

Source: The provisions of this §101.31 adopted to be effective November 15, 2001, 26 TexReg 9091; amended to be effective December 23, 2009, 34 TexReg 9200.

§101.33. Release of Tests.

Beginning in 2009 with the 2008-2009 school year and each subsequent third school year, the Texas Education Agency shall release all test items and answer keys only for primary administration assessment instruments administered under the Texas Education Code, §39.023(a), (b), (c), (d), and (l), and field test items that are at least four years old and that are no longer eligible for inclusion on a subsequent test form.

Statutory Authority: The provisions of this §101.33 issued under the Texas Education Code, §39.023 and §39.025.

Source: The provisions of this §101.33 adopted to be effective November 15, 2001, 26 TexReg 9091; amended to be effective October 12, 2003, 28 TexReg 8607; amended to be effective June 6, 2004, 29 TexReg 5343; amended to be effective December 25, 2005, 30 TexReg 8682; amended to be effective October 21, 2008, 33 TexReg 8643; amended to be effective December 23, 2009, 34 TexReg 9200; amended to be effective March 14, 2013, 38 TexReg 1676.

Subchapter C. Local Option

§101.101. Group-Administered Tests.

- (a) An assessment instrument to which this section is applicable under the Texas Education Code (TEC), §39.032, is defined as any district-commissioned achievement test, either nationally normed or criterion-referenced, that is group administered and reported publicly (e.g., to the local board of trustees) in the aggregate. A test given for a special purpose such as program placement or individual evaluation (e.g., a spelling test, a diagnostic test such as a reading inventory or interim benchmark assessment, or a released statewide assessment instrument) is not included in this definition. The commissioner of education shall provide annually to school districts and charter schools a list of state-approved, norm-referenced group-administered achievement tests that test publishers certify meet the requirements of the TEC, §39.032.
- (b) A company or organization scoring a test defined in subsection (a) of this section shall send test results to the school district for verification. The school district shall have 90 days to verify the accuracy of the data and report the results to the school district board of trustees.
- (c) State and national averages for an assessment instrument under this section must be computed using data that are not more than eight years old at the time the assessment instrument is administered and that are representative of the group of students to whom the assessment instrument is administered. This eight-year limitation does not apply if only data older than eight years are available for an assessment instrument.
- (d) To maintain the security and confidentiality of group-administered achievement tests, school districts and charter schools shall follow the applicable procedures for test security and confidentiality delineated in §101.3031 of this title (relating to Required Test Administration Procedures and Training Activities to Ensure Validity, Reliability, and Security of Assessments).

Statutory Authority: The provisions of this §101.101 issued under the Texas Education Code, §39.032.

Source: The provisions of this §101.101 adopted to be effective November 15, 2001, 26 TexReg 9091; amended to be effective December 7, 2003, 28 TexReg 10940; amended to be effective April 21, 2010, 35 TexReg 3030; amended to be effective March 14, 2013, 38 TexReg 1676.

Discussion of Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §§112.2-112.7, and Subchapter B, Middle School, §§112.26-112.28

April 14, 2021

**COMMITTEE OF THE FULL BOARD: DISCUSSION
STATE BOARD OF EDUCATION: NO ACTION**

SUMMARY: This item provides an opportunity for the committee to discuss proposed new 19 Texas Administrative Code (TAC) Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §112.2, Science, Kindergarten, Adopted 2021; §112.3, Science, Grade 1, Adopted 2021; §112.4, Science, Grade 2, Adopted 2021; §112.5, Science, Grade 3, Adopted 2021; §112.6, Science, Grade 4, Adopted 2021; and §112.7, Science, Grade 5, Adopted 2021; and Subchapter B, Middle School, §112.26, Science, Grade 6, Adopted 2021; §112.27, Science, Grade 7, Adopted 2021; and §112.28, Science, Grade 8, Adopted 2021. The proposed new sections would update the standards to better align the content and ensure the standards remain current.

STATUTORY AUTHORITY: Texas Education Code (TEC), [§7.102\(c\)\(4\)](#) and [§28.002\(a\), \(c\), and \(j\)](#).

TEC, [§7.102\(c\)\(4\)](#), requires the State Board of Education (SBOE) to establish curriculum and graduation requirements.

TEC, [§28.002\(a\)](#), identifies the subjects of the required curriculum.

TEC, [§28.002\(c\)](#), requires the SBOE to by rule identify the essential knowledge and skills of each subject in the required curriculum that all students should be able to demonstrate and that will be used in evaluating instructional materials and addressed on the state assessment instruments.

TEC, [§28.002\(j\)](#), allows the SBOE to require laboratory instruction in secondary science courses and require a specific amount or percentage of time in a secondary science course that must be laboratory instruction.

The full text of statutory citations can be found in the statutory authority section of this agenda.

FUTURE ACTION EXPECTED: Proposed new 19 TAC §§112.2-112.7 and 112.26-112.28 will be presented for first reading and filing authorization at a future SBOE meeting.

BACKGROUND INFORMATION AND JUSTIFICATION: In accordance with statutory requirements that the SBOE by rule identify the essential knowledge and skills of each subject in the required curriculum, the SBOE follows a board-approved cycle to review and revise the essential knowledge and skills for each subject.

At the September 2019 meeting, SBOE members were asked to designate content advisors for the review and revision of the science Texas Essential Knowledge and Skills (TEKS). In December 2019, applications to serve on science TEKS review work groups were posted on the Texas Education Agency (TEA) website. Additionally in December 2019, TEA distributed a survey to collect information from educators regarding the review and revision of the science TEKS. TEA staff provided applications for the science review work groups to SBOE members on a monthly basis from December 2019 to June 2020

and in September, October, and December 2020. At the January 2020 SBOE meeting, the SBOE provided specific guidance for the TEKS review work groups.

Also in January 2020, science TEKS review content advisors met in a face-to-face meeting to develop consensus recommendations regarding revisions to the science TEKS to share with future work groups. At that time, the content advisors met with representatives from Work Group A to discuss the consensus recommendations. Work Group A convened in February 2020 to review survey results, content advisor consensus recommendations, and the SBOE's guidance to work groups to develop recommendations for how science TEKS review work groups can address these areas. Work Group B was convened virtually in June 2020 to develop recommendations for four high school science courses: Biology, Chemistry, Integrated Physics and Chemistry, and Physics. In November 2020, the SBOE approved for second reading and final adoption proposed new 19 TAC §§112.41-112.45 for implementation beginning in the 2023-2024 school year.

Work Group C convened for a series of virtual meetings between August and November 2020 to develop recommendations for the middle school science TEKS. Work Group D was convened for monthly meetings in November 2020-February 2021 to develop recommendations for TEKS for five high school science courses: Aquatic Science, Astronomy, Earth and Space Science, Environmental Systems, and a new course in Specialized Topics in Science. Work Group E was convened for monthly meetings between January and March 2021 to develop recommendations for the elementary school TEKS.

A public hearing on proposed new 19 TAC §§112.2-112.7 and 112.26-112.28 is presented as a separate item in this agenda.

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services
Shelly Ramos, Senior Director, Curriculum Standards and Student Support

Discussion of Pending Litigation

April 14, 2021

COMMITTEE OF THE FULL BOARD: DISCUSSION STATE BOARD OF EDUCATION: NO ACTION

SUMMARY: The State Board of Education (SBOE) may enter executive session in accordance with the Texas Government Code, §551.071(1)(A), to discuss pending and contemplated litigation with the general counsel, legal staff, and, if necessary, attorney(s) from the Attorney General's Office. The Committee of the Full Board will meet in Room 1-103 to discuss this item.

Cases to be discussed may include:

Tribune Company, No. 08-13141; *The Official Committee of Unsecured Creditors of Tribune Company v. Fitzsimmons*, Adv. Pro. No. 10-54010 (Bankr. D. Del);

Deutsche Bank v Bank of America, No. 3:11-CV-01175-F (N. D. Tex., Dallas Div.) and *Deutsche Bank v. Employees Retirement Fund of the City of Dallas*, No. 3:11-CV-1167-F; (N. D. Tex. Dallas Div.) *CONSOLIDATED in: In re: Tribune Company Fraudulent Conveyance Litigation*; No. 11-MD-2296 *Consolidated Multidistrict Action (S.D.N.Y.)*; and

any other litigation arising after the date of posting or reasonably contemplated as of the date of the board meeting.

BOARD RESPONSE: Board may advise and comment.

BACKGROUND INFORMATION AND JUSTIFICATION: At every regularly scheduled meeting, the SBOE has the opportunity to be apprised of pending litigation as the need arises. The SBOE may also receive continued briefing on procedural developments.

Staff Member Responsible:

Von Byer, General Counsel, Legal Services

COMMITTEE ON INSTRUCTION

**Proposed Amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript)
(Second Reading and Final Adoption)**

April 16, 2021

COMMITTEE ON INSTRUCTION: ACTION
STATE BOARD OF EDUCATION: ACTION

SUMMARY: This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript). The proposed amendment would update the rule to require documentation of the new graduation requirement that a student complete and submit a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA). No changes are recommended since approved for first reading.

STATUTORY AUTHORITY: Texas Education Code (TEC), §§7.102(c)(13); 28.025(e); and 28.0256(a), as added by House Bill (HB) 3, 86th Texas Legislature, 2019.

TEC, §7.102(c)(13), requires the State Board of Education (SBOE) to adopt transcript forms and standards for differentiating high school performance for purposes of reporting academic achievement under TEC, §28.025.

TEC, §28.025(e), requires each school district to report the academic achievement record of students who have completed the foundation high school program on transcript forms adopted by the SBOE.

TEC, §28.0256(a), as added by HB 3, 86th Texas Legislature, 2019, requires each student to complete and submit a FAFSA or a TASFA before graduating from high school.

The full text of statutory citations can be found in the statutory authority section of this agenda.

EFFECTIVE DATE: The proposed effective date of the proposed amendment is August 1, 2021. Under TEC, §7.102(f), the SBOE must approve the rule action at second reading and final adoption by a vote of two-thirds of its members to specify an effective date earlier than the beginning of the 2021-2022 school year. The earlier effective date will allow districts of innovation that begin school prior to the statutorily required start date to implement the proposed rulemaking when they begin their school year.

PREVIOUS BOARD ACTION: The SBOE adopted §74.5 effective June 18, 2014, to align with legislation passed by the 83rd Texas Legislature, Regular Session, 2013. In April 2016, the SBOE gave final approval to a proposed amendment to §74.5 to align with legislation passed by the 84th Texas Legislature, 2015. In April 2018, the SBOE gave final approval to a proposed amendment to §74.5 to align with legislation passed by the 83rd Texas Legislature, Regular Session, 2013, and 85th Texas Legislature, 2017. The SBOE approved for first reading and filing authorization the proposed amendment to §74.5 at the January 2021 SBOE meeting.

BACKGROUND INFORMATION AND JUSTIFICATION: The 86th Texas Legislature, 2019, passed HB 3, amending TEC, §28.025(c), and adding new TEC, §28.0256, to require a student to complete a financial aid application, FAFSA or TASFA, in order to graduate. In accordance with TEC, §28.0256(b), a student is not required to comply with the requirement to complete and submit a financial aid application if the student's parent or guardian submits a signed opt-out form authorizing the student to

decline. The student may submit the opt-out form on the student's own behalf if the student is 18 years of age or older or is an emancipated youth under Texas Family Code, Chapter 31. A school counselor may also authorize the student to decline to complete and submit a financial aid application for good cause, as determined by the school counselor. The opt-out form must be approved by the Texas Education Agency (TEA). Each school district must report to the agency the number of students who meet the financial aid application requirement by either completing and submitting a financial aid application or opting out.

At the January 2021 SBOE meeting, the SBOE gave final approval to a proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation Requirements, to update the rule to align with the new financial aid application graduation requirement.

The attachment to this item reflects the text of the proposed amendment to 19 TAC §74.5 for consideration by the SBOE for second reading and final adoption. The proposed amendment would update the rule for the academic achievement record to document the completion of the new financial aid application graduation requirement. No changes are recommended since approved for first reading.

FISCAL IMPACT: No changes have been made to this section since published as proposed.

TEA has determined that the proposal would have no additional costs to state or local government beyond what is required by the authorizing statute. HB 3, 86th Texas Legislature, 2019, required school districts and charter schools to monitor and report the completion of the financial aid application requirement, which will have a cost to the state. However, the 86th Texas Legislature, 2019, appropriated \$1.5 million to TEA for the creation of a database to track TASFA completion electronically.

In addition, there may be costs to school districts and charter schools associated with required updates to local student information systems in order to implement the requirements of statute. These may include the need for professional development and amendments to district-developed databases. Since the design and format of and data collection for the academic achievement record (high school transcript) are made at the local district level, it is difficult to estimate the fiscal impact on any given district.

LOCAL EMPLOYMENT IMPACT: No changes have been made to this section since published as proposed.

The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: No changes have been made to this section since published as proposed.

The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis specified in Texas Government Code, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: No changes have been made to this section since published as proposed.

The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

TAKINGS IMPACT ASSESSMENT: No changes have been made to this section since published as proposed.

The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT: No changes have been made to this section since published as proposed.

TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would expand an existing regulation by requiring school districts and charter schools to report the completion of the financial aid application requirement on the academic achievement record.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not create a new regulation; would not limit or repeal an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: No changes have been made to this section since published as proposed.

The proposal would improve documentation of requirements on the academic achievement record and the ability to more effectively transmit that information between school districts. There is no anticipated economic cost to persons who are required to comply with the proposal.

DATA AND REPORTING IMPACT: No changes have been made to this section since published as proposed.

The proposal would have data and reporting implications. The proposed amendment would require school districts and charters schools to report the completion of the financial aid application requirement on the academic achievement record.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: No changes have been made to this section since published as proposed.

TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: Following the January 2021 SBOE meeting, notice of the proposed amendment to §74.5 was filed with the Texas Register, initiating the public comment period. The public comment period began March 5, 2021, and ended at 5:00 p.m. on April 9, 2021. No comments had been received at the time this item was prepared. A summary of public comments received will be provided to the SBOE prior to and during the April 2021 meeting. The SBOE will take registered oral and written comments on the proposal at the appropriate committee meeting in April 2021 in accordance with the SBOE board operating policies and procedures.

MOTION TO BE CONSIDERED: The State Board of Education:

Approve for second reading and final adoption the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript); and

Make an affirmative finding that immediate adoption of the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript), is necessary and shall have an effective date of August 1, 2021. *(Per TEC, §7.102(f), a vote of two-thirds of the members of the board is necessary for an earlier effective date.)*

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services
Shelly Ramos, Senior Director, Curriculum Standards and Student Support

Attachment:

Text of Proposed Amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript)

ATTACHMENT
Text of Proposed Amendment to 19 TAC

Chapter 74. Curriculum Requirements

Subchapter A. Required Curriculum

§74.5. Academic Achievement Record (Transcript).

- (a) The commissioner of education shall develop and distribute to each school district and institution of higher education the state guidelines for a common academic achievement record and coding system for courses and instructions for recording information on the academic achievement record. Each school district must use the coding system provided by the commissioner.
- (b) Following guidelines developed by the commissioner, each school district must use an academic achievement record (transcript) form that includes the following:
 - (1) student demographics;
 - (2) school data;
 - (3) student data; and
 - (4) the record of courses and credits earned.
- (c) The academic achievement record shall serve as the academic record for each student and must be maintained permanently by the district. Each district must ensure that copies of the record are made available for a student transferring from one district to another. To ensure appropriate placement of a transfer student, a district must respond promptly to each request for student records from a receiving school district.
- (d) Any credit earned by a student must be recorded on the academic achievement record, regardless of when the credit was earned.
- (e) A student who completes high school graduation requirements shall have attached to the academic achievement record a seal approved by the State Board of Education [SBOE] .
- (f) A student who completes the requirements for an endorsement shall have the endorsement clearly indicated on the academic achievement record.
- (g) A student who earns a performance acknowledgment shall have the performance acknowledgment clearly indicated on the academic achievement record.
- (h) A student who earns the distinguished level of achievement shall have the distinguished level of achievement clearly indicated on the academic achievement record.
- (i) A student who demonstrates proficiency in speech as specified in §74.11(a)(3) of this title (relating to High School Graduation Requirements) shall have completion of the speech requirement clearly indicated on the academic achievement record.
- (j) A student who completes the required instruction in cardiopulmonary resuscitation (CPR) as specified in §74.38 of this title (relating to Requirements for Instruction in Cardiopulmonary Resuscitation (CPR)) in Grade 9, 10, 11, or 12 shall have completion of the CPR instruction clearly indicated on the academic achievement record.
- (k) A student who completes the required instruction on proper interaction with peace officers shall have completion of the instruction clearly indicated on the academic achievement record.
- (l) A student who completes and submits a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA) or submits the Texas Education Agency-approved opt-out form shall have the completion of the financial aid application requirement clearly indicated on the academic achievement record.

(m) [~~(l)~~] A student who satisfies a languages other than English graduation credit requirement by successfully completing a dual language immersion program at an elementary school in accordance with §74.12(b)(5)(F) of this title (relating to Foundation High School Program) shall have the credit clearly indicated on the academic achievement record.

(n) [~~(m)~~] A student who completes all graduation requirements except for required end-of-course assessment instruments may be issued a certificate of coursework completion. The academic achievement record will include a notation of the date such a certificate was issued to the student.

Proposed Repeal of 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter D, Other High School Mathematics Courses, §§111.56-111.59
(First Reading and Filing Authorization)

April 16, 2021

COMMITTEE ON INSTRUCTION: ACTION
STATE BOARD OF EDUCATION: ACTION

SUMMARY: This item presents for first reading and filing authorization the proposed repeal of 19 Texas Administrative Code (TAC) Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter D, Other High School Mathematics Courses, §111.56, International Baccalaureate (IB) Mathematical Studies Standard Level (Two Credits); §111.57, International Baccalaureate (IB) Mathematics Standard Level (Two Credits); §111.58, International Baccalaureate (IB) Mathematics Higher Level (Two Credits); and §111.59, International Baccalaureate (IB) Further Mathematics Higher Level (Two Credits). The proposed repeal would eliminate, effective beginning with the 2021-2022 school year, courses that are no longer offered by the International Baccalaureate Organization.

STATUTORY AUTHORITY: Texas Education Code (TEC), §§7.102(c)(4); 28.002(a); and 28.025(a).

TEC, §7.102(c)(4), requires the State Board of Education (SBOE) to establish curriculum and graduation requirements.

TEC, §28.002(a), identifies the subjects of the required curriculum.

TEC, §28.025(a), requires the SBOE to by rule determine the curriculum requirements for the foundation high school graduation program that are consistent with the required curriculum under TEC, §28.002.

The full text of statutory citations can be found in the statutory authority section of this agenda.

EFFECTIVE DATE: The proposed effective date of the proposed repeal is August 1, 2021. Under TEC, §7.102(f), the SBOE must approve the rule action at second reading and final adoption by a vote of two-thirds of its members to specify an effective date earlier than the beginning of the 2021-2022 school year. The earlier effective date would repeal the IB mathematics courses no longer offered by the International Baccalaureate Organization beginning with the 2021-2022 school year and help avoid any confusion for school districts regarding other currently effective IB mathematics courses.

PREVIOUS BOARD ACTION: The SBOE originally adopted the Texas Essential Knowledge and Skills (TEKS) for IB courses in English language arts and reading, mathematics, science, and economics effective September 1, 1998; IB social studies courses effective September 1, 2001; IB technology applications courses effective September 26, 2011; and IB languages other than English courses effective July 15, 2014. The IB mathematics TEKS were amended effective October 10, 2012. The SBOE adopted revisions to 19 TAC Chapter 110, Subchapter D; 19 TAC Chapter 111, Subchapter D; 19 TAC Chapter 112, Subchapter D; and 19 TAC Chapter 114, Subchapter D, effective August 27, 2018.

At the June 2019 meeting, the SBOE approved proposed revisions to 19 TAC Chapter 111, Subchapter D. These revisions became effective August 7, 2019.

BACKGROUND INFORMATION AND JUSTIFICATION: In June 2019, the SBOE adopted four new IB mathematics courses that the International Baccalaureate Organization would begin implementing

in September 2019 as part of its diploma program. The new courses were designed to replace four existing courses: IB Mathematical Studies Standard Level, IB Mathematics Standard Level, IB Mathematics Higher Level, and IB Further Mathematics Higher Level. The four older courses were scheduled to be repealed at a later date to provide time for students who were already enrolled in one of the courses to complete the course. The proposed repeal would eliminate the four courses scheduled for repeal from the mathematics TEKS now that they are no longer necessary.

The attachment to this item reflects the text of proposed repeal of §§111.56-111.59 for consideration by the SBOE for first reading and filing authorization.

The proposed amendment was not presented as a discussion item. The SBOE, however, may wish to consider this item for first reading and filing authorization as authorized under its operating procedures. Therefore, this item is presented for consideration for first reading and filing authorization at this meeting. It is recommended the SBOE consider this item for first reading and filing authorization to ensure that only those TEKS applicable for the 2021-2022 school year are included in the TAC to assist educators with planning and to avoid confusion.

FISCAL IMPACT: The Texas Education Agency (TEA) has determined that there are no additional costs to state or local government required to comply with the proposal.

LOCAL EMPLOYMENT IMPACT: The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis specified in Texas Government Code, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

TAKINGS IMPACT ASSESSMENT: The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT: TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would repeal existing regulations by eliminating, effective beginning with the 2021-2022 school year, courses that are no longer offered by the International Baccalaureate Organization.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not create a new regulation; would not expand or limit an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: The proposal would eliminate any confusion for school districts regarding IB mathematics course options by repealing IB mathematics courses that are no longer offered by the International Baccalaureate Organization. There is no anticipated economic cost to persons who are required to comply with the proposal.

DATA AND REPORTING IMPACT: The proposal would have no data and reporting impact.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: The public comment period on the proposal begins May 14, 2021, and ends at 5:00 p.m. on June 18, 2021. The SBOE will take registered oral and written comments on the proposal at the appropriate committee meeting in June 2021 in accordance with the SBOE board operating policies and procedures. A request for a public hearing on the proposal submitted under the Administrative Procedure Act must be received by the commissioner of education not more than 14 calendar days after notice of the proposal has been published in the *Texas Register* on May 14, 2021.

MOTION TO BE CONSIDERED: 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 proposed repeal of 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter D, Other High School Mathematics Courses, §111.56, International Baccalaureate (IB) Mathematical Studies Standard Level (Two Credits); §111.57, International Baccalaureate (IB) Mathematics Standard Level (Two Credits); §111.58, International Baccalaureate (IB) Mathematics Higher Level (Two Credits); and §111.59, International Baccalaureate (IB) Further Mathematics Higher Level (Two Credits).

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services
Shelly Ramos, Senior Director, Curriculum Standards and Student Support

Attachment:

Text of Proposed Repeal of 19 TAC Chapter 111, Texas Essential Knowledge and Skills for Mathematics, Subchapter D, Other High School Mathematics Courses, §111.56, International Baccalaureate (IB) Mathematical Studies Standard Level (Two Credits); §111.57, International Baccalaureate (IB) Mathematics Standard Level (Two Credits); §111.58, International Baccalaureate (IB) Mathematics Higher Level (Two Credits); and §111.59, International Baccalaureate (IB) Further Mathematics Higher Level (Two Credits)

ATTACHMENT
Text of Proposed Repeal of 19 TAC

Chapter 111. Texas Essential Knowledge and Skills for Mathematics

Subchapter D. Other High School Mathematics Courses

§111.56. International Baccalaureate (IB) Mathematical Studies Standard Level (Two Credits).

- (a) ~~General requirements. Students shall be awarded two credits for successful completion of this course. Recommended prerequisites: Algebra II, Geometry. This course is recommended for students in Grade 11 or 12.~~
- (b) ~~Content requirements. Content requirements for IB Mathematical Studies Standard Level are prescribed by the International Baccalaureate Organization. Subject guides may be obtained from International Baccalaureate of North America.~~

§111.57. International Baccalaureate (IB) Mathematics Standard Level (Two Credits).

- (a) ~~General requirements. Students shall be awarded two credits for successful completion of this course. Recommended prerequisites: Algebra II, Geometry. This course is recommended for students in Grade 11 or 12.~~
- (b) ~~Content requirements. Content requirements for IB Mathematics Standard Level are prescribed by the International Baccalaureate Organization. Subject guides may be obtained from International Baccalaureate of North America.~~

§111.58. International Baccalaureate (IB) Mathematics Higher Level (Two Credits).

- (a) ~~General requirements. Students shall be awarded two credits for successful completion of this course. Recommended prerequisites: Algebra II, Geometry. This course is recommended for students in Grade 11 or 12.~~
- (b) ~~Content requirements. Content requirements for IB Mathematics Higher Level are prescribed by the International Baccalaureate Organization. Subject guides may be obtained from International Baccalaureate of North America.~~

§111.59. International Baccalaureate (IB) Further Mathematics Higher Level (Two Credits).

- (a) ~~General requirements. Students shall be awarded two credits for successful completion of this course. Recommended prerequisites: Algebra II, Geometry. This course is recommended for students in Grade 11 or 12.~~
- (b) ~~Content requirements. Content requirements for IB Further Mathematics Higher Level are prescribed by the International Baccalaureate Organization. Subject guides may be obtained from International Baccalaureate of North America.~~

Approval of Update to Instructional Materials for EDUSPARK, Inc.

April 16, 2021

COMMITTEE ON INSTRUCTION: ACTION STATE BOARD OF EDUCATION: CONSENT

SUMMARY: EDUSPARK, Inc. is requesting approval to update content in its adopted products *EDUSPARK PreK System* (English) and *Sistema EDUSPARK PreK* (Spanish). The updated content has been reviewed by curriculum subject-area specialists and determined to address the pertinent student expectations in a manner equal to the content initially reviewed and approved by the state review panel.

STATUTORY AUTHORITY: Texas Education Code ([TEC](#)), [§31.003](#) and [§31.022](#).

TEC, §31.003, permits the State Board of Education (SBOE) to adopt rules for the adoption, requisition, distribution, care, use, and disposal of instructional materials.

TEC, §31.022(b), requires the SBOE to adopt rules to provide for a full and complete investigation of instructional materials for each subject in the foundation curriculum and for each subject in the enrichment curriculum.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: Prekindergarten materials from EDUSPARK, Inc. were adopted in November 2020.

BACKGROUND INFORMATION AND JUSTIFICATION: Rules in 19 Texas Administrative Code §66.75 permit a publisher to submit a request for approval to substitute an updated edition of state-adopted instructional materials. The rule also requires that all requests for updates involving content in state-adopted instructional materials be approved by the SBOE prior to their introduction into state-adopted instructional materials.

MOTION TO BE CONSIDERED: The State Board of Education:

Approve the request from EDUSPARK, Inc. to update content in its adopted products *EDUSPARK PreK System* (English) and *Sistema EDUSPARK PreK* (Spanish).

Staff Members Responsible:

Melissa Lautenschlager, Director, Instructional Materials and Implementation
Amie Williams, Director, Review and Adoption

Attachment I:

[EDUSPARK, Inc. Update Request \(English\)](#)

Attachment II:

[EDUSPARK, Inc. Update Request \(Spanish\)](#)

Approval of Substitution of Instructional Materials for Cheng & Tsui, Co., Inc.

April 16, 2021

COMMITTEE ON INSTRUCTION: ACTION
STATE BOARD OF EDUCATION: CONSENT

SUMMARY: Cheng & Tsui Co, Inc. is requesting approval to substitute instructional materials in its adopted product *Integrated Chinese, Level 1*. The substituted content has been reviewed by curriculum subject-area specialists and determined to address the pertinent student expectations in a manner equal to the content initially reviewed and approved by the state review panel.

STATUTORY AUTHORITY: Texas Education Code ([TEC](#)), [§31.003](#) and [§31.022](#).

TEC, §31.003, permits the State Board of Education (SBOE) to adopt rules for the adoption, requisition, distribution, care, use, and disposal of instructional materials.

TEC, §31.022(b), requires the SBOE to adopt rules to provide for a full and complete investigation of instructional materials for each subject in the foundation curriculum and for each subject in the enrichment curriculum.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: Languages other than English materials from Cheng & Tsui Co., Inc. were adopted in November 2016.

BACKGROUND INFORMATION AND JUSTIFICATION: Rules in 19 Texas Administrative Code §66.76 permit a publisher to submit a request for approval to substitute a new edition of state-adopted instructional materials. The rule also requires that all requests for updates involving content used in determining the product's eligibility for adoption must be approved by the SBOE prior to their introduction into state-adopted instructional materials.

MOTION TO BE CONSIDERED: The State Board of Education:

Approve the request from Cheng & Tsui Co., Inc. to substitute updated versions of *Integrated Chinese, Level 1* products adopted in November 2016 under *Proclamation 2017*.

Staff Members Responsible:

Melissa Lautenschlager, Director, Instructional Materials and Implementation
Amie Williams, Director, Review and Adoption

Attachment I:

[Cheng & Tsui, Co., Inc. Substitution Request – Textbook](#)

Attachment II:

[Cheng & Tsui, Co., Inc. Substitution Request – Workbook](#)

Discussion Regarding Third-Party Materials in Instructional Materials Adopted by the State Board of Education

April 15, 2021

COMMITTEE ON INSTRUCTION: DISCUSSION STATE BOARD OF EDUCATION: NO ACTION

SUMMARY: This item provides the opportunity for the committee to discuss options regarding third-party materials included in instructional materials adopted by the State Board of Education (SBOE).

STATUTORY AUTHORITY: Statutory authority is the Texas Education Code (TEC), [§31.003](#) and [§31.022](#).

TEC, §31.003, permits the State Board of Education (SBOE) to adopt rules for the adoption, requisition, distribution, care, use, and disposal of instructional materials.

TEC, §31.022, requires the SBOE to adopt rules to provide for a full and complete investigation of instructional materials for each subject in the foundation curriculum and for each subject in the enrichment curriculum.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: During the January 2021 meeting the board received a request from QuaverEd to substitute instructional materials in its adopted *Quaver Pre-K Curriculum*. At that time, the committee on instruction expressed a desire to study the inclusion of and discuss potential requirements for third-party materials that are included in instructional materials adopted by the SBOE.

19 Texas Administrative Code (TAC) §66.75 permits a publisher to submit a request for approval to substitute an updated edition of state-adopted instructional materials. This section also requires that all requests for updates involving content in state-adopted instructional materials be approved by the SBOE prior to their introduction into state-adopted instructional materials.

19 TAC §66.76 permits a publisher to submit a request for approve to substitute a new edition of state-adopted instructional materials. This section also requires that all requests for updates involving content used in determining the product's eligibility for adoption must be approved by the State Board of Education prior to their introduction into state-adopted instructional materials.

Staff Members Responsible:

Melissa Lautenschlager, Director, Instructional Materials and Implementation
Amie Williams, Director, Review and Adoption

**Discussion of 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions,
§74.28, Students with Dyslexia and Related Disorders**

April 15, 2021

**COMMITTEE ON INSTRUCTION: DISCUSSION
STATE BOARD OF EDUCATION: NO ACTION**

SUMMARY: This item provides an opportunity for the committee to discuss a potential proposed amendment to 19 Texas Administrative Code (TAC) Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.28, Students with Dyslexia and Related Disorders. The proposed amendment would update the *Dyslexia Handbook: Procedures Concerning Dyslexia and Related Disorders (Dyslexia Handbook)* adopted as Figure: 19 TAC §74.28(c) to clarify requirements related to dyslexia screening for students in Kindergarten and Grade 1. This item also provides an opportunity for the committee to consider correspondence from the U.S. Department of Education Office of Special Education Programs (OSEP).

STATUTORY AUTHORITY: Texas Education Code (TEC), §7.102(c)(28) and §38.003(a) and (c).

TEC, §7.102(c)(28), requires the State Board of Education (SBOE) to approve a program for testing students for dyslexia and related disorders.

TEC, §38.003(a), requires that students enrolling in public schools be screened or tested, as appropriate, for dyslexia and related disorders at appropriate times in accordance with a program approved by the SBOE. The program must include screening at the end of the school year of each student in Kindergarten and each student in Grade 1.

TEC, §38.003(c), requires the SBOE to adopt any rules and standards necessary to administer TEC, §38.003, Screening and Treatment for Dyslexia and Related Disorders.

The full text of statutory citations can be found in the statutory authority section of this agenda.

FUTURE ACTION EXPECTED: A proposed amendment to §74.28 can be presented for first reading and filing authorization at a future SBOE meeting.

PREVIOUS BOARD ACTION: The SBOE adopted §74.28 effective September 1, 1996. The SBOE amended §74.28 effective August 27, 2018, to align the rule with legislative changes made by House Bill 1886, 85th Texas Legislature, Regular Session, 2017. In February 2018, the SBOE adopted an amendment to §74.28 effective March 13, 2019. The SBOE adopted an amendment to §74.28 effective December 25, 2019.

BACKGROUND INFORMATION AND JUSTIFICATION: Section 74.28 provides guidance to school districts and open-enrollment charter schools for identifying students with dyslexia or related disorders and providing appropriate services to those students.

The 85th Texas Legislature, Regular Session, 2017, passed HB 1886, amending TEC, §38.003, to specify that a student enrolled in public school must be screened or tested, as appropriate, for dyslexia and related disorders at appropriate times in accordance with a program approved by the SBOE. The legislation

required that the program include screening at the end of the school year for all students in Kindergarten and Grade 1. An amendment to §74.28 to align the rule with HB 1886 was approved for second reading and final adoption at the June 2018 SBOE meeting with an effective date of August 27, 2018.

Section 74.28 was amended effective March 13, 2019, to adopt the *Dyslexia Handbook* in rule as Figure: 19 TAC §74.28(c).

The section was amended again effective December 25, 2019, to require school districts and open-enrollment charter schools to report to the Texas Education Agency (TEA) through the Texas Student Data System Public Education Information Management System (TSDS PEIMS) the results of screening for dyslexia and related disorders required at the end of the school year for each student in Kindergarten and each student in Grade 1 in accordance with TEC, §38.003(a).

This item provides the committee with an opportunity to discuss potential updates to the *Dyslexia Handbook* that would clarify requirements related to dyslexia screening for students in Kindergarten and Grade 1.

Additionally, this item provides the committee with an opportunity to discuss follow up correspondence received by TEA in fall 2020 from the U.S. Department of Education OSEP related to OSEP's 2018 letter of findings related to the state's implementation of Part B of the Individuals with Disabilities Education Act (IDEA). The correspondence indicates that some stakeholders cited the *Dyslexia Handbook* as a source of ambiguous guidance.

Staff Members Responsible:

Monica Martinez, Associate Commissioner, Standards and Support Services
Shelly Ramos, Senior Director, Curriculum Standards and Student Support

Attachment:

Text of 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.28, Students with Dyslexia and Related Disorders

Separate Exhibit:

Dyslexia Handbook

ATTACHMENT
Text of 19 TAC

Chapter 74. Curriculum Requirements

Subchapter C. Other Provisions

§74.28. Students with Dyslexia and Related Disorders.

- (a) In order to support and maintain full educational opportunity for students with dyslexia and related disorders and consistent with federal and state law, school districts and open-enrollment charter schools shall provide each student with dyslexia or a related disorder access to each program under which the student qualifies for services.
- (b) The board of trustees of a school district or the governing body of an open-enrollment charter school must ensure that procedures for identifying a student with dyslexia or a related disorder and for providing appropriate, evidence-based instructional services to the student are implemented in the district.
- (c) A school district's or open-enrollment charter school's procedures must be implemented according to the State Board of Education (SBOE) approved strategies for screening, individualized evaluation, and techniques for treating dyslexia and related disorders. The strategies and techniques are described in the "Dyslexia Handbook: Procedures Concerning Dyslexia and Related Disorders " provided in this subsection. The handbook is a set of guidelines for school districts and open-enrollment charter schools that may be modified by the SBOE only with broad-based dialogue that includes input from educators and professionals in the field of reading and dyslexia and related disorders from across the state.

Figure: 19 TAC §74.28(c)

- (d) Screening as described in the "Dyslexia Handbook: Procedures Concerning Dyslexia and Related Disorders" and further evaluation should only be conducted by individuals who are trained in valid, evidence-based assessments and who are trained to appropriately evaluate students for dyslexia and related disorders.
- (e) A school district or open-enrollment charter school shall purchase a reading program or develop its own evidence-based reading program for students with dyslexia and related disorders that is aligned with the descriptors found in the "Dyslexia Handbook: Procedures Concerning Dyslexia and Related Disorders." Teachers who screen and treat these students must be trained in instructional strategies that use individualized, intensive, multisensory, phonetic methods and a variety of writing and spelling components described in the "Dyslexia Handbook: Procedures Concerning Dyslexia and Related Disorders. " The professional development activities specified by each open-enrollment charter school and district and/or campus planning and decision making committee shall include these instructional strategies.
- (f) At least five school days before any evaluation or identification procedure is used selectively with an individual student, the school district or open-enrollment charter school must provide written notification to the student's parent or guardian or another person standing in parental relation to the student of the proposed identification or evaluation. The notice must be in English, or to the extent practicable, the individual's native language and must include the following:
 - (1) a reasonable description of the evaluation procedure to be used with the individual student;
 - (2) information related to any instructional intervention or strategy used to assist the student prior to evaluation;
 - (3) an estimated time frame within which the evaluation will be completed; and
 - (4) specific contact information for the campus point of contact, relevant Parent Training and Information Projects, and any other appropriate parent resources.
- (g) Before a full individual and initial evaluation is conducted to determine whether a student has a disability under the Individuals with Disabilities Education Act (IDEA), the school district or open-enrollment charter school must notify the student's parent or guardian or another person standing in parental relation to

the student of its proposal to conduct an evaluation consistent with 34 Code of Federal Regulations (CFR), §300.503, provide all information required under subsection (f) of this section, and provide:

- (1) a copy of the procedural safeguards notice required by 34 CFR, §300.504;
 - (2) an opportunity to give written consent for the evaluation; and
 - (3) a copy of information required under Texas Education Code (TEC), §26.0081.
- (h) Parents/guardians of a student with dyslexia or a related disorder must be informed of all services and options available to the student, including general education interventions under response to intervention and multi-tiered systems of support models as required by TEC, §26.0081(d), and options under federal law, including IDEA and the Rehabilitation Act, §504.
- (i) Each school or open-enrollment charter school must provide each identified student access at his or her campus to instructional programs required in subsection (e) of this section and to the services of a teacher trained in dyslexia and related disorders. The school district or open-enrollment charter school may, with the approval of each student's parents or guardians, offer additional services at a centralized location. Such centralized services shall not preclude each student from receiving services at his or her campus.
- (j) Because early intervention is critical, a process for early identification, intervention, and support for students at risk for dyslexia and related disorders must be available in each district and open-enrollment charter school as outlined in the "Dyslexia Handbook: Procedures Concerning Dyslexia and Related Disorders." School districts and open-enrollment charter schools may not use early intervention strategies, including multi-tiered systems of support, to delay or deny the provision of a full and individual evaluation to a child suspected of having a specific learning disability, including dyslexia or a related disorder.
- (k) Each school district and open-enrollment charter school shall report through the Texas Student Data System Public Education Information Management System (TSDS PEIMS) the results of the screening for dyslexia and related disorders required for each student in Kindergarten and each student in Grade 1 in accordance with TEC, §38.003(a).
- (l) Each school district and open-enrollment charter school shall provide a parent education program for parents/guardians of students with dyslexia and related disorders. This program must include:
- (1) awareness and characteristics of dyslexia and related disorders;
 - (2) information on testing and diagnosis of dyslexia and related disorders;
 - (3) information on effective strategies for teaching students with dyslexia and related disorders;
 - (4) information on qualifications of those delivering services to students with dyslexia and related disorders;
 - (5) awareness of information on accommodations and modifications, especially those allowed for standardized testing;
 - (6) information on eligibility, evaluation requests, and services available under IDEA and the Rehabilitation Act, §504, and information on the response to intervention process; and
 - (7) contact information for the relevant regional and/or school district or open-enrollment charter school specialists.
- (m) School districts and open-enrollment charter schools shall provide to parents of children suspected to have dyslexia or a related disorder a copy or a link to the electronic version of the "Dyslexia Handbook: Procedures Concerning Dyslexia and Related Disorders."
- (n) School districts and open-enrollment charter schools will be subject to monitoring for compliance with federal law and regulations in connection with this section. School districts and open-enrollment charter schools will be subject to auditing and monitoring for compliance with state dyslexia laws in accordance with administrative rules adopted by the commissioner of education as required by TEC, §38.003(c-1).

**COMMITTEE ON SCHOOL FINANCE/
PERMANENT SCHOOL FUND**

**Proposed Amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing,
Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide
(Second Reading and Final Adoption)**

April 16, 2021

**COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: ACTION
STATE BOARD OF EDUCATION: ACTION**

SUMMARY: This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide. The proposed amendment would adopt by reference the updated *Financial Accountability System Resource Guide* (FASRG).

STATUTORY AUTHORITY: Texas Education Code (TEC), §§7.055(b)(32), 7.102(c)(32), 44.001(a) and (b), 44.007(a)-(d), and 44.008(b).

TEC, §7.055(b)(32), requires the commissioner to perform duties in connection with the public school accountability system as prescribed by TEC, Chapters 39 and 39A.

TEC, §7.102(c)(32), requires the State Board of Education (SBOE) to adopt rules concerning school district budgets and audits of school district fiscal accounts as required under TEC, Chapter 44, Subchapter A.

TEC, §44.001(a), requires the commissioner to establish advisory guidelines relating to the fiscal management of a school district. TEC, §44.001(b), requires the commissioner to report annually to the SBOE the status of school district fiscal management as reflected by the advisory guidelines and by statutory requirements.

TEC, §44.007(a), requires the board of trustees of each school district to adopt and install a standard school fiscal accounting system that conforms with generally accepted accounting principles. TEC, §44.007(b), requires the accounting system to meet at least the minimum requirements prescribed by the commissioner, subject to review and comment by the state auditor. TEC, §44.007(c), requires a record to be kept of all revenues realized and of all expenditures made during the fiscal year for which a budget is adopted. A report of the revenues and expenditures for the preceding fiscal year is required to be filed with the agency on or before the date set by the SBOE. TEC, §44.007(d), requires each district, as part of the report required by TEC, §44.007, to include management, cost accounting, and financial information in a format prescribed by the SBOE in a manner sufficient to enable the board to monitor the funding process and determine educational system costs by district, campus, and program.

TEC, §44.008(b), requires the independent audit to meet at least the minimum requirements and be in the format prescribed by the SBOE, subject to review and comment by the state auditor. The audit must include an audit of the accuracy of the fiscal information provided by the district through the Public Education Information Management System (PEIMS).

The full text of statutory citations can be found in the statutory authority section of this agenda.

EFFECTIVE DATE: The proposed effective date of the proposed amendment is 20 days after filing as adopted with the Texas Register. Under TEC, §7.102(f), the SBOE must approve the rule action at second

reading and final adoption by a vote of two-thirds of its members to specify an effective date earlier than the beginning of the 2021-2022 school year. The earlier effective date will ensure the provisions of the FASRG align with current governmental accounting and auditing standards for school districts and charter schools as soon as possible.

PREVIOUS BOARD ACTION: The current FASRG, dated June 2019, was adopted by reference in §109.41 effective August 19, 2019. At the November 2020 SBOE meeting, the committee discussed the proposed amendment to §109.41 and the proposed updates to the FASRG modules to be adopted by reference in the rule. At the January 2021 meeting, the board approved the proposed amendment to §109.41 for first reading and filing authorization.

BACKGROUND INFORMATION AND JUSTIFICATION: The FASRG describes the rules of financial accounting for school districts, charter schools, and education service centers and is adopted by reference under §109.41. Revisions to the FASRG would align the content with current governmental accounting and auditing standards, remove obsolete requirements, and remove descriptions and discussions of best practices and other non-mandatory elements.

Requirements for financial accounting and reporting are derived from generally accepted accounting principles (GAAP). School districts and charter schools are required to adhere to GAAP. Legal and contractual considerations typical of the government environment are reflected in the fund structure basis of accounting.

An important function of governmental accounting systems is to enable administrators to assure and report on compliance with finance-related legal provisions. This assurance and reporting means that the accounting system and its terminology, fund structure, and procedures must be adapted to satisfy finance-related legal requirements. However, the basic financial statements of school districts and charter schools should be prepared in conformity with GAAP.

School district and charter school accounting systems shall use the accounting code structure presented in the Account Code section of the FASRG (Module 1). Funds shall be classified and identified on required financial statements by the same code number and terminology provided in the Account Code section of the FASRG (Module 1).

The following changes would be made to Modules 1-6 of the FASRG.

Module 1, Financial Accounting and Reporting (FAR) and FAR Appendices

Module 1 would align with current governmental accounting standards. Proposed Module 1 would include the following significant changes. School districts and charter schools would be required to maintain proper budgeting and financial accounting and reporting systems. In addition, school districts would be required to establish principles and policies to ensure uniformity in accounting in conformity with GAAP established by the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

Module 2, Special Supplement - Charter Schools

Module 2 would align with current financial and accounting reporting standards. Proposed Module 2 would include the following significant changes. The proposed module would establish financial and accounting requirements for Texas public charter schools to ensure uniformity in accounting in conformity with GAAP. The proposed module would also include current guidance that complements the American Institute of Certified Public Accountants (AICPA) *Audit and Accounting Guide, State and*

Local Governments and supplements the *Government Auditing Standards* of the United States Government Accountability Office (GAO). These requirements facilitate preparation of financial statements that conform to GAAP established by the FASB.

Module 3, Special Supplement - Non-profit Charter Schools Chart of Accounts

Module 3 would align with current governmental accounting standards. Proposed Module 3 would include the following significant changes. Charter schools would be required to maintain proper budgeting and financial accounting and reporting systems that are in conformity with Texas Education Data Standards (TEDS) in the Texas Student Data Systems (TSDS) PEIMS. In addition, charter schools would be required to establish principles and policies to ensure uniformity in accounting in conformity with GAAP established by the FASB. The proposed module would also include current auditing guidance that complements the *AICPA Audit and Accounting Guide, State and Local Governments* and supplements the *Government Auditing Standards* of the United States GAO. These requirements facilitate preparation of financial statements that conform to GAAP established by the FASB.

Module 4, Auditing

Module 4 would align with current governmental auditing standards. Proposed Module 4 would include the following significant changes. The proposed module would establish auditing requirements for Texas public school districts and charter schools and include current requirements from TEC, §44.008, as well as Title 2, Code of Federal Regulations, Part 200, Subpart F, Audit Requirements, that implement the federal Single Audit Act. The proposed module would also include current auditing guidance that complements the *AICPA Audit and Accounting Guide, State and Local Governments* and supplements the *Government Auditing Standards* of the United States GAO. These requirements facilitate preparation of financial statements that conform to GAAP established by the GASB.

Module 5, Purchasing

Module 5 would align with current purchasing laws and standards. Proposed Module 5 would include the following significant changes. School districts and charter schools would be required to establish procurement policies and procedures that align with their unique operating environment and ensure compliance with relevant statutes and policies.

Module 6, Compensatory Education, Guidelines, Financial Treatment, and an Auditing and Reporting System

Module 6 would align with current governmental accounting standards. Proposed Module 6 would include the following significant changes. School districts and charter schools would be required to maintain proper budgeting and financial accounting and reporting systems. The module would provide current information to assist local school officials' understanding of the numerous options for use of the state compensatory education allotment and provide current guidance for compliance.

A separate item in this agenda presents the adoption of the statutorily required rule review of 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts; Subchapter B, Texas Education Agency Audit Functions; Subchapter C, Adoptions by Reference; and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract.

Since published as proposed, staff anticipates presenting changes related to fund codes and references to statute.

FISCAL IMPACT: No changes have been made to this section since published as proposed.

The Texas Education Agency (TEA) has determined that there are no additional costs to state or local government required to comply with the proposal.

LOCAL EMPLOYMENT IMPACT: No changes have been made to this section since published as proposed.

The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: No changes have been made to this section since published as proposed.

The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis specified in Texas Government Code, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: No changes have been made to this section since published as proposed.

The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

TAKINGS IMPACT ASSESSMENT: No changes have been made to this section since published as proposed.

The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT: No changes have been made to this section since published as proposed.

TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would expand and limit an existing regulation. The proposal would amend requirements and provide updated governmental accounting and auditing standards. In some instances, the proposed changes would add information, and in some instances, information would be removed.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not create a new regulation; would not repeal an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: No changes have been made to this section since published as proposed.

The proposal would ensure that the provisions of the FASRG align with current governmental accounting and auditing standards for school districts and charter schools. There is no anticipated economic cost to persons who are required to comply with the proposal.

DATA AND REPORTING IMPACT: No changes have been made to this section since published as proposed.

The proposal would have no data and reporting impact.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: No changes have been made to this section since published as proposed.

TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: Following the January 2021 SBOE meeting, notice of proposed amendment to §109.41 was filed with the Texas Register, initiating the public comment period. The public comment period on the proposal began March 5, 2021, and ended at 5:00 p.m. on April 9, 2021. A summary of public comments received regarding the proposal will be provided to the SBOE during the April 2021 meeting. The SBOE will take registered oral and written comments on the proposal at the appropriate committee meeting in April 2021 in accordance with the SBOE board operating policies and procedures.

MOTION TO BE CONSIDERED: The State Board of Education:

Approve for second reading and final adoption the proposed amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide; and

Make an affirmative finding that immediate adoption of the proposed amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register. *(Per TEC, §7.102(f), a vote of two-thirds of the members of the board is necessary for an earlier effective date.)*

Staff Members Responsible:

Leo Lopez, Associate Commissioner, School Finance
David Marx, Senior Director, Financial Compliance

Attachment I:

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

Attachment II:

Proposed FASRG Module 1, Financial Accounting and Reporting (FAR) and FAR Appendices

Attachment III:

Proposed FASRG Module 2, Special Supplement - Charter Schools

Attachment IV:

Proposed FASRG Module 3, Special Supplement - Non-profit Charter Schools Chart of Accounts

Attachment V:

Proposed FASRG Module 4, Auditing

Attachment VI:

Proposed FASRG Module 5, Purchasing

Attachment VII:

Proposed FASRG Module 6, Compensatory Education, Guidelines, Financial Treatment, and an Auditing and Reporting System

Due to the size of Attachments II-VII, the FASRG modules are available electronically on the TEA website at <https://tea.texas.gov/finance-and-grants/financial-accountability/financial-accountability-system-resource-guide> .

ATTACHMENT I
Text of Proposed Amendment to 19 TAC

Chapter 109. Budgeting, Accounting, and Auditing

Subchapter C. Adoptions By Reference

§109.41. Financial Accountability System Resource Guide.

The rules for financial accounting are described in the official Texas Education Agency (TEA) publication Financial Accountability System Resource Guide, dated June 2021 [~~July 2019~~], which is adopted by this reference as the agency's official rule. A copy is available on the TEA website with information related to financial compliance [for examination during regular office hours, 8:00 a.m. to 5:00 p.m., except holidays, Saturdays, and Sundays, at the Texas Education Agency, 1701 North Congress Avenue, Austin, Texas 78701].

Discussion of Proposed Amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter B, Texas Education Agency Audit Functions, §109.25, State Compensatory Education Program Reporting and Auditing System

April 15, 2021

**COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: DISCUSSION
STATE BOARD OF EDUCATION: NO ACTION**

SUMMARY: This item provides an opportunity for the committee to discuss a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 109, Budgeting, Accounting, and Auditing, Subchapter B, Texas Education Agency Audit Functions, §109.25, State Compensatory Education Program Reporting and Auditing System. The proposed amendment would update references to statutory citations that were renumbered by House Bill (HB) 3, 86th Texas Legislature, 2019.

STATUTORY AUTHORITY: Texas Education Code (TEC), §48.104, as redesignated and amended by HB 3, 86th Texas Legislature, 2019.

TEC, §48.104, as redesignated and amended by HB 3, 86th Texas Legislature, 2019, requires the State Board of Education (SBOE) to adopt rules requiring a report on the use of compensatory education funds as part of the annual audit and develop minimum requirements for that report.

The full text of statutory citations can be found in the statutory authority section of this agenda.

FUTURE ACTION EXPECTED: The proposed amendment to §109.25 will be presented for first reading and filing authorization at the June 2021 SBOE meeting.

BACKGROUND INFORMATION AND JUSTIFICATION: Section 109.25 addresses the requirement for each school district and charter school to report financial information relating to the expenditure of the state compensatory education allotment under the Foundation School Program to the Texas Education Agency.

Changes to §109.25 are recommended as a result of the statutorily required rule review of 19 TAC Chapter 109. The proposed amendment would replace TEC, §42.152(c), with §48.104(k) and TEC, §42.152(q), with §48.104(o) to reflect the renumbering of statute by HB 3, 86th Texas Legislature, 2019.

The attachment to this item reflects the text of the proposed amendment to §109.25 for consideration by the committee.

Staff Members Responsible:

Leo Lopez, Associate Commissioner, School Finance
David Marx, Director, Financial Compliance

Attachment:

Text of Proposed Amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter B, Texas Education Agency Audit Functions, §109.25, State Compensatory Education Program Reporting and Auditing System

ATTACHMENT
Text of Proposed Amendment to 19 TAC

Chapter 109. Budgeting, Accounting, and Auditing

Subchapter B. Texas Education Agency Audit Functions

§109.25. State Compensatory Education Program Reporting and Auditing System.

- (a) Each school district and charter school shall report financial information relating to expenditure of the state compensatory education allotment under the Foundation School Program to the Texas Education Agency (TEA). Each school district and charter school shall report the information according to standards for financial accounting provided in §109.41 of this title (relating to Financial Accountability System Resource Guide.) The financial data will be reported annually through the Public Education Information Management System. The commissioner of education shall ensure that districts follow guidelines contained in the "Financial Accountability System Resource Guide" in attributing supplemental direct costs to state compensatory education and accelerated instruction programs and services. Costs charged to state compensatory education shall be for programs and services that supplement the regular education program.
- (b) Each school district and charter school shall ensure that supplemental direct costs and personnel attributed to compensatory education and accelerated instruction are identified in district and/or campus improvement plans at the summary level for financial units or campuses. Each school district and charter school shall maintain documentation that supports the attribution of supplemental costs and personnel to compensatory education. School districts and charter schools must also maintain sufficient documentation supporting the appropriate identification of students in at-risk situations, under criteria established in Texas Education Code (TEC), §29.081.
- (c) The TEA shall conduct risk assessment and desk audit processes to identify the school districts, charter schools, or campuses most at risk of inappropriate allocation and/or underexpenditure of the compensatory education allotment. In the risk assessment and desk audit processes, the TEA shall consider the following factors:
 - (1) aggregate performance of students in at-risk situations on the state assessment instruments that is below the standards for the "acceptable" rating, as defined in the state accountability system;
 - (2) the financial management of compensatory education funds; and/or
 - (3) the quality of data related to compensatory education submitted by a school district or charter school.
- (d) The TEA shall use the results of risk assessment and desk audit processes to prioritize school districts or charter schools for the purpose of on-site visits and may conduct on-site visits.
- (e) The TEA shall issue a preliminary report resulting from a desk audit or an on-site visit before submitting a final report to the school district or charter school. After issuance of a preliminary report, a school district or charter school must file with the TEA the following:
 - (1) a response to the preliminary report within 20 calendar days from the date of the preliminary report outlining steps the school district or charter school will take to resolve the issues identified in the preliminary report; and
 - (2) a corrective action plan within 60 calendar days from the date of the preliminary report if the school district's or charter school's response to the preliminary report does not resolve issues identified in the preliminary report.
- (f) The TEA shall issue a final report that indicates whether the school district or charter school has resolved the findings in the preliminary report and whether the corrective action plan filed under subsection (e)(2) of this section is adequate.
 - (1) If the final report contains a finding of noncompliance with TEC, §48.104(k) [~~§42.152(e)~~] , the report shall include a financial penalty authorized under TEC, §48.104(o) [~~§42.152(q)~~] .

- (2) If the school district or charter school responds with an appropriate corrective action plan, the TEA shall rescind the financial penalty and release the amount of the penalty to the school district or charter school.
- (g) The TEA may conduct an on-site visit to verify the implementation of a school district's or charter school's corrective action plan.

**Adoption of Review of 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions by Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract
(Adoption of Review)**

April 16, 2021

**COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: ACTION
STATE BOARD OF EDUCATION: ACTION**

SUMMARY: Texas Government Code (TGC), §2001.039, establishes a four-year rule review cycle for all state agency rules, including State Board of Education (SBOE) rules. This item presents the adoption of review of 19 Texas Administrative Code (TAC) Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions by Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract. The rules being reviewed provide requirements for school districts relating to budgeting, accounting, financial reporting, and auditing; Texas Education Agency (TEA) financial review functions; adoption by reference of the *Financial Accountability System Resource Guide* (FASRG); and the bank bid and proposal forms and the depository contract and surety bond forms.

STATUTORY AUTHORITY: The statutory authority for the rule review is [TGC, §2001.039](#). The statutory authority for 19 TAC Chapter 109 is Texas Education Code ([TEC, §§7.102\(c\)\(32\), 44.001, 44.002, 44.007, and 44.008](#), for Subchapter A; [TEC, §§7.102\(c\)\(32\), 44.001, 44.007, 44.008, 44.010, and 48.104](#), for Subchapter B; [TEC, §§7.055\(b\)\(32\), \(36\), and \(37\); 7.102\(c\)\(32\); 44.001; 44.007\(a\)-\(d\); and 44.008\(b\)](#), for Subchapter C; and [TEC, §§7.102\(c\)\(34\), 45.206, and 45.208](#), for Subchapter D.

TGC, §2001.039, requires a state agency to review and consider for readoption each of its rules.

TEC, §7.055(b)(4), requires the commissioner to prescribe a uniform system of forms, reports, and records necessary to fulfill reporting and recordkeeping requirements.

TEC, §7.055(b)(36), requires the commissioner to establish advisory guidelines relating to the fiscal management of a school district and report annually to the SBOE on the status of school district fiscal management as required under TEC, §44.001.

TEC, §7.055(b)(37), requires the commissioner to review school district audit reports as required under TEC, §44.008.

TEC, §7.102(c)(32), authorizes the SBOE to adopt rules concerning school district budgets and audits of school district fiscal accounts as required under TEC, Chapter 44, Subchapter A.

TEC, §7.102(c)(34), requires the SBOE to prescribe uniform bid blanks for school districts to use in selecting a depository bank.

TEC, §44.001, requires the commissioner to report annually to the SBOE the status of school district fiscal management.

TEC, §44.002, requires a superintendent to prepare a proposed district budget according to rules adopted by the SBOE.

TEC, §44.007, directs the SBOE to require each district to file a report of revenues and expenditures by a date set by the SBOE.

TEC, §44.008(b), requires each district's independent audit to meet minimum standards and be in the format prescribed by the SBOE.

TEC, §44.010, requires TEA staff to review and analyze the budgets, fiscal reports, and audit reports filed by school districts to determine if all legal requirements have been met and to collect fiscal data needed to report to the governor and the legislature.

TEC, §45.206, requires school districts to use the uniform bid blank and request for proposal forms prescribed by the SBOE when selecting a depository bank.

TEC, §45.208, requires that a school district and a bank selected as a depository enter into a depository contract using the form prescribed by the SBOE.

TEC, §48.104, requires the SBOE to adopt rules requiring a report on the use of compensatory education funds as part of the annual audit and develop minimum requirements for that report.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: The review of 19 TAC Chapter 109, Subchapters A-D, was presented to the Committee on School Finance/Permanent School Fund for discussion at the January 2021 meeting.

BACKGROUND INFORMATION AND JUSTIFICATION: Following is a summary of the SBOE rules in Chapter 109.

Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts

The rule in this subchapter provides for a uniform system of accounting in public schools. Under current rules, school districts must use a uniform accounting system and maintain certain information for reporting to the TEA.

Subchapter B, Texas Education Agency Audit Functions

The rules in this subchapter provide for an annual audit plan, the completion and review of independent audits, and reporting and auditing for state compensatory education funds. School districts are held accountable for the use of compensatory education allotments through desk reviews and detailed investigations as needed to ensure compliance with the limitations in statute and rule.

As a separate item in this agenda, a proposed amendment to 19 TAC §109.25 that would clarify language and terminology and update an obsolete reference to the TEC is presented for discussion.

Subchapter C, Adoptions by Reference

The rule in this subchapter adopts by reference the FASRG. The FASRG describes rules for financial accounting in modules for financial accounting and reporting, budgeting, purchasing, auditing, site-based

decision making, accountability, data collection and reporting, management, and state compensatory education. The FASRG also includes special supplements for nonprofit charter schools. Public school districts use the FASRG to meet the accounting, auditing, budgeting, and reporting requirements set forth in the TEC and other state statutes relating to public school finance. The FASRG is available on the TEA website at

http://tea.texas.gov/Finance_and_Grants/Financial_Accountability/Financial_Accountability_System_Resource_Guide/.

As a separate item in this agenda, a proposed amendment to 19 TAC §109.41 that would update the FASRG is presented for second reading and final adoption.

Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract

The rules in this subchapter provide uniform depository bank bid, proposal, contract, and surety bond forms. A school district is required to use a uniform bank bid or proposal form to obtain bids or proposals from depository banks located in the district at least 30 days before the termination of the current depository contract. However, a school district may add to the uniform bank bid or proposal form to specify additional depository requirements. Depository contracts have traditionally been executed for a two-year period, expiring on August 31 in odd-numbered years. Depository bank contracts are legal instruments that help ensure the security of all school district funds on deposit. Additionally, depository contracts contain terms and conditions describing depository bank services and fees.

PUBLIC COMMENTS: TEA filed the notice of proposed review of 19 TAC Chapter 109, Subchapters A-D, with the Texas Register following the January 2021 SBOE meeting. At the time this item was prepared, no comments had been received regarding this review. Any public comments received will be provided to the SBOE during the April 2021 meeting in accordance with the SBOE operating policies and procedures. The SBOE will take registered oral and written comments on the proposed review at the committee meeting in April 2021 in accordance with the SBOE board operating policies and procedures.

MOTION TO BE CONSIDERED: The State Board of Education:

Adopt the review of 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions by Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract.

Staff Members Responsible:

Leo Lopez, Associate Commissioner, School Finance
David Marx, Director, Financial Compliance

Attachment I:

Text of 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions by Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract

Attachment II:

Figure: 19 TAC §109.51(c)

Attachment III:

Figure: 19 TAC §109.51(d)

Attachment IV:

Figure: 19 TAC §109.52(b)

Attachment V:

Figure: 19 TAC §109.52(d)

ATTACHMENT I
Text of 19 TAC

Chapter 109. Budgeting, Accounting, and Auditing

Subchapter A. Budgeting, Accounting, Financial Reporting, and Auditing for School Districts

§109.1. Financial Accounting.

- (a) A uniform system of public school budgeting, accounting, and financial reporting shall be provided and employed throughout the state as required by law. The uniform system for budgeting, accounting, and financial reporting is to reflect the full implementation of modified and full accrual accounting, as appropriate, in accordance with generally accepted accounting principles.
- (b) The commissioner of education shall develop and administer the requirements relating to budgeting, accounting, financial reporting, and auditing for Texas public schools. The commissioner of education shall ensure adequate stakeholder involvement in the design and modification of these requirements. The State Board of Education shall approve the budgeting, accounting, and reporting systems and the auditing procedures as determined by the commissioner of education. The school districts and charter schools shall install the budgeting, accounting, and financial reporting system as required by law and meet the audit requirements as developed by the commissioner of education and subject to review and comment by the state auditor when required by law.

Statutory Authority: The provisions of this §109.1 issued under the Texas Education Code, §§7.102(c)(32), 44.001, 44.002, 44.007, and 44.008.

Source: The provisions of this §109.1 adopted to be effective September 1, 1996, 21 TexReg 2076; amended to be effective October 13, 2002, 27 TexReg 9317.

Subchapter B. Texas Education Agency Audit Functions

§109.21. Annual Audit Plan.

The commissioner of education shall submit an annual audit plan for field and independent audits for review of the designated committee of the State Board of Education. The plan may be amended as needed by the commissioner of education. The designated committee of the State Board of Education shall be informed at least annually by the commissioner of education on the progress of and amendments to the plan.

Statutory Authority: The provisions of this §109.21 issued under the Texas Education Code, §44.001.

Source: The provisions of this §109.21 adopted to be effective September 1, 1996, 21 TexReg 2076.

§109.23. School District Independent Audits and Agreed-Upon Procedures.

- (a) A school district, governmental charter school, open-enrollment charter school, nonprofit service provider, county education district, or regional education service center must file with the Texas Education Agency (TEA) an annual financial and compliance report and, if applicable, a state compensatory agreed-upon procedures report. These reports must be audited by an independent auditor, and the audit must be reviewed by the TEA, including review of auditors' working papers, in accordance with the Financial Accountability System Resource Guide, as adopted by reference in §109.41 of this title (relating to Financial Accountability System Resource Guide).
- (b) The annual financial audit report and state compensatory agreed-upon procedures report are due 150 days after the end of the fiscal year.
- (c) Auditors from the TEA must review independent audit reports. The commissioner's designee must resolve audit findings.

- (d) The district or other educational entity must hire at its own expense an independent auditor to conduct an independent audit of its financial statements and provide an opinion on its annual financial and compliance report.
 - (1) The independent auditor must:
 - (A) be associated with a certified public accountancy (CPA) firm that has a current valid license issued by the Texas State Board of Public Accountancy or a state licensing agency from another state;
 - (B) be a certified public accountant with a current valid license issued by the Texas State Board of Public Accountancy, as required under the Texas Education Code, §44.008; and
 - (C) adhere to the generally accepted auditing standards (GAAS), adopted by the American Institute of CPAs (AICPA), as amended, and the generally accepted government auditing standards (GAGAS), adopted by the US Government Accountability Office, as amended.
 - (2) The CPA firm must:
 - (A) be a member of the AICPA Governmental Audit Quality Center (GAQC);
 - (B) adhere to GAQC's membership requirements; and
 - (C) collectively have the knowledge, skills, and experience to be competent for the audit being conducted, including thorough knowledge of the government auditing requirements and:
 - (i) Texas public school district environment;
 - (ii) public sector; or
 - (iii) nonprofit sector.
- (e) If at any time the TEA division responsible for financial compliance reviews an audit firm's working papers and finds that the firm or the quality of the work does not meet the standards required as stated in subsection (d) of this section, the division may require the district or other educational entity to change its audit firm.
- (f) To the extent that this section conflicts with any other rule regarding audits of school districts and other educational entities by independent auditors and the TEA, this section controls.

Statutory Authority: The provisions of this §109.23 issued under the Texas Education Code, §§7.102(c)(32), 44.001, 44.007, 44.008, and 44.010.

Source: The provisions of this §109.23 adopted to be effective September 1, 1996, 21 TexReg 2076; amended to be effective October 13, 2002, 27 TexReg 9317; amended to be effective March 10, 2015, 40 TexReg 1084; amended to be effective August 31, 2020, 45 TexReg 5345.

§109.25. State Compensatory Education Program Reporting and Auditing System.

- (a) Each school district and charter school shall report financial information relating to expenditure of the state compensatory education allotment under the Foundation School Program to the Texas Education Agency (TEA). Each school district and charter school shall report the information according to standards for financial accounting provided in §109.41 of this title (relating to Financial Accountability System Resource Guide.) The financial data will be reported annually through the Public Education Information Management System. The commissioner of education shall ensure that districts follow guidelines contained in the "Financial Accountability System Resource Guide" in attributing supplemental direct costs to state compensatory education and accelerated instruction programs and services. Costs charged to state compensatory education shall be for programs and services that supplement the regular education program.
- (b) Each school district and charter school shall ensure that supplemental direct costs and personnel attributed to compensatory education and accelerated instruction are identified in district and/or campus improvement plans at the summary level for financial units or campuses. Each school district and charter school shall maintain documentation that supports the attribution of supplemental costs and personnel to compensatory

education. School districts and charter schools must also maintain sufficient documentation supporting the appropriate identification of students in at-risk situations, under criteria established in Texas Education Code (TEC), §29.081.

- (c) The TEA shall conduct risk assessment and desk audit processes to identify the school districts, charter schools, or campuses most at risk of inappropriate allocation and/or underexpenditure of the compensatory education allotment. In the risk assessment and desk audit processes, the TEA shall consider the following factors:
 - (1) aggregate performance of students in at-risk situations on the state assessment instruments that is below the standards for the "acceptable" rating, as defined in the state accountability system;
 - (2) the financial management of compensatory education funds; and/or
 - (3) the quality of data related to compensatory education submitted by a school district or charter school.
- (d) The TEA shall use the results of risk assessment and desk audit processes to prioritize school districts or charter schools for the purpose of on-site visits and may conduct on-site visits.
- (e) The TEA shall issue a preliminary report resulting from a desk audit or an on-site visit before submitting a final report to the school district or charter school. After issuance of a preliminary report, a school district or charter school must file with the TEA the following:
 - (1) a response to the preliminary report within 20 calendar days from the date of the preliminary report outlining steps the school district or charter school will take to resolve the issues identified in the preliminary report; and
 - (2) a corrective action plan within 60 calendar days from the date of the preliminary report if the school district's or charter school's response to the preliminary report does not resolve issues identified in the preliminary report.
- (f) The TEA shall issue a final report that indicates whether the school district or charter school has resolved the findings in the preliminary report and whether the corrective action plan filed under subsection (e)(2) of this section is adequate.
 - (1) If the final report contains a finding of noncompliance with TEC, §42.152(c), the report shall include a financial penalty authorized under TEC, §42.152(q).
 - (2) If the school district or charter school responds with an appropriate corrective action plan, the TEA shall rescind the financial penalty and release the amount of the penalty to the school district or charter school.
- (g) The TEA may conduct an on-site visit to verify the implementation of a school district's or charter school's corrective action plan.

Statutory Authority: The provisions of this §109.25 issued under the Texas Education Code, §42.152, as amended by Senate Bill 1873, 75th Texas Legislature, 1997.

Source: The provisions of this §109.25 adopted to be effective September 1, 1998, 24 TexReg 7781; amended to be effective October 13, 2002, 27 TexReg 9317.

Subchapter C. Adoptions By Reference

§109.41. Financial Accountability System Resource Guide.

The rules for financial accounting are described in the official Texas Education Agency publication Financial Accountability System Resource Guide, dated July 2019, which is adopted by this reference as the agency's official rule. A copy is available for examination during regular office hours, 8:00 a.m. to 5:00 p.m., except holidays, Saturdays, and Sundays, at the Texas Education Agency, 1701 North Congress Avenue, Austin, Texas 78701.

Statutory Authority: The provisions of this §109.41 issued under the Texas Education Code, §§7.055(b)(32), 7.102(c)(32), 44.001(a) and (b), 44.007(a)-(d), and 44.008(b).

Source: The provisions of this §109.41 adopted to be effective September 1, 1996, 21 TexReg 2076; amended to be effective February 15, 1998, 23 TexReg 1020; amended to be effective September 1, 1998, 24 TexReg 7782; amended to be effective December 13, 1998, 23 TexReg 12301; amended to be effective September 12, 1999, 24 TexReg 6978; amended to be effective December 5, 1999, 24 TexReg 10537; amended to be effective July 31, 2001, 26 TexReg 5638; amended to be effective December 30, 2001, 26 TexReg 10539; amended to be effective September 1, 2002, 27 TexReg 7802; amended to be effective January 5, 2003, 27 TexReg 12213; amended to be effective November 16, 2003, 28 TexReg 9833; amended to be effective December 30, 2004, 29 TexReg 11972; amended to be effective July 31, 2008, 33 TexReg 5929; amended to be effective April 26, 2010, 35 TexReg 3261; amended to be effective August 9, 2012, 37 TexReg 5746; amended to be effective August 19, 2019, 44 TexReg 4315.

Subchapter D. Uniform Bank Bid or Request for Proposal and Depository Contract

§109.51. Uniform Depository Bank Bid or Proposal Form.

- (a) At least 60 days before the end of the current depository contract, each school district must decide to use either competitive bidding or a request for proposals to choose a new depository.
- (b) At least 30 days before the end of the current depository contract, the district must mail the uniform blank form for the selected process to each bank located in the district. The district must use either the uniform bid form specified in subsection (c) of this section or the uniform proposal form specified in subsection (d) of this section. The district may add other terms to the uniform bid or proposal form if the added terms do not unfairly restrict competition between banks as stated in the Texas Education Code, §45.206(b). The district must keep the selected bid or proposal form in the district and make it available to the Texas Education Agency upon request.
- (c) This subsection provides the uniform bid blank form, entitled "Bid Form for Depository Services."
Figure: 19 TAC §109.51(c)
- (d) This subsection provides the uniform proposal blank form, entitled "Proposal Form for Depository Services."
Figure: 19 TAC §109.51(d)

Statutory Authority: The provisions of this §109.51 issued under the Texas Education Code, §§7.102(c)(34), 45.206, and 45.208.

Source: The provisions of this §109.51 adopted to be effective September 1, 1997, 22 TexReg 3780; amended to be effective March 4, 2001, 26 TexReg 1708; amended to be effective October 13, 2002, 27 TexReg 9316; amended to be effective August 17, 2008, 33 TexReg 6592; amended to be effective May 15, 2014, 39 TexReg 3706; amended to be effective May 16, 2017, 42 TexReg 2533.

§109.52. Uniform Depository Bank Contract and Surety Bond Forms.

- (a) Each school district must use the uniform depository contract form as provided in subsection (b) of this section. The district must complete the form and file it electronically with the Texas Education Agency (TEA) as specified in the Texas Education Code (TEC), §45.208, and in accordance with filing instructions provided on the TEA website.

- (b) This subsection provides the uniform depository contract form, entitled "Depository Contract for Funds of Independent School Districts under the Texas Education Code, Chapter 45, Subchapter G, School District Depositories."

Figure: 19 TAC §109.52(b)

- (c) If a district's depository elects a surety bond to secure the district's deposit amounts less any applicable Federal Deposit Insurance Corporation insurance, the depository must complete the surety bond form provided in subsection (d) of this section, attach it to the contract, and file it with the district. The district must file a copy of the contract and the surety bond form with the TEA as specified in the TEC, §45.208, and in accordance with filing instructions provided on the TEA website.

- (d) This subsection provides the uniform surety bond form, entitled "Texas School Depository Surety Bond Form."

Figure: 19 TAC §109.52(d)

- (e) If the TEA receives a contract form and determines that it is incomplete, the TEA will notify the district.
- (f) A district that has no current depository contract in force and filed with the TEA will receive its warrants from the TEA by US mail.
- (g) For depository contract filing requirements for charter schools, refer to §100.1043 of this title (relating to Status and Use of State Funds; Depository Contract).

Statutory Authority: The provisions of this §109.52 issued under the Texas Education Code, §§7.102(c)(34), 39.025, 39.027, 45.206, and 45.208.

Source: The provisions of this §109.52 adopted to be effective September 1, 1997, 22 TexReg 3780; amended to be effective March 4, 2001, 26 TexReg 1708; amended to be effective October 13, 2002, 27 TexReg 9316; amended to be effective August 17, 2008, 33 TexReg 6592; amended to be effective May 15, 2014, 39 TexReg 3706; amended to be effective March 27, 2018, 43 TexReg 1850.

Bid Form

for Depository Services

by _____ Independent School District

Definitions and Instructions

In this document, the terms “you” and “your” refer to the depository bank, and “we,” “our,” and “us” refer to the district named above.

You must answer all questions in this form and provide it to us as your bid.

We have the right to reject any bid. If any part of this bid or any contract entered into between you and us is invalid, the remainder, at our option, remains in force and is not affected. We have the right to use a sub-depository bank other than the primary bank and those deposits will be collateralized.

Bank Compensation

We may pay for your services by targeted balances or by fees and change the methodology when appropriate. Please detail any differences in related costs to us with either option.

Compensation Based on a Targeted Balance

We may choose to pay for your services by maintaining a targeted amount of our funds in the depository. We will maintain balances in the checking accounts to compensate you in full or in part for services provided. You must provide a monthly account analysis that reflects the earnings credited for these balances.

You may invest any excess collected balance daily as directed by us in an overnight investment that we approve, an interest bearing account, or a money market mutual fund registered with the Securities and Exchange Commission (SEC) which strives to maintain a \$1 NAV. Please list below the overnight investment and any index upon which the rate will be based.

The rate history at your bank for the months beginning MM/YY and ending MM/YY was:

Earnings Credit Rate (ECR):	_____	%
Interest Bearing Accounts:	_____	%
Money Market Accounts:	_____	%
Sweep Accounts:	_____	%

[Alternatively, the district may require the depository bank to complete the information by month according to Attachment A, Historical Information about the Bank.]

If any of these rates is based on an index rate (such as the T-Bill auction rate), stipulate how you will use the index to calculate the rate.

Compensation Based on Fees

We may choose to pay for your services on a straight fee basis in which we will not maintain a targeted balance. You will assess fees, and we will pay them in accordance with your proposed fees as listed on Attachment A, Volumes for Pricing Transactions.

District Investments

We reserve the right to purchase, sell, and invest our funds and funds under our control, including bond funds, as authorized by the Texas Government Code, Chapter 2256, Public Funds Investment Act, and in compliance with our investment policy, a copy of which is attached as Attachment C *[alternatively, the district may provide the link to the investment policy on the district's website]*.

[The district chooses to insert language of Option A or Option B]

Option A

We may choose to invest in time deposits at the depository, but all investments including certificates of deposit are bid competitively at the time of purchase.

Option B

We may choose to invest in time deposits at the depository. You will pay interest on our funds placed in time deposits with maturities we chose. The interest rate spread on the deposits should be indicated as above, below, or equal to the "asked" yield on the comparable maturity T-Bill of the proposed time deposit being purchased as reported in an independent, financial source.

Single Maturity Time Deposits of more than \$250,000:

Maturity	Basis point spread over (+) or under (-) T-Bill "asked" yield <i>[District-specified rate]</i>
7 – 29 Days	_____
30 – 59 Days	_____
60 – 89 Days	_____
90 – 179 Days	_____
180 – 364 Days	_____
365 Days or More	_____

Collateral

Collateral Conditions

You must provide collateral equal to 102 percent of all our time and demand deposits plus accrued interest minus applicable Federal Deposit Insurance Corporation (FDIC) coverage. Collateral will be pledged to us and held in an independent safekeeping institution by a custodian or permitted institution as specified by the Texas Government Code, Chapter 2257, Public Funds Collateral Act. You will be liable for monitoring and maintaining the collateral and the required margin at all times and will provide an original safekeeping notice and a monthly report of the collateral including at least the security description, par amount, cusip, and market value.

You and we must execute a collateral agreement in accordance with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Provide a sample collateral agreement as Attachment D, Sample Collateral Agreement.

We estimate our maximum anticipated collateral requirement to be \$_____.

If voluntary collateral pooling is legislated during the period of this contract, you and we may consider it and agree to use it under this contract.

Eligible Collateral

We will accept only approved securities as specified by the TEC, §45.201, as pledged collateral, voluntary pooled collateral (if available) or a Federal Home Loan Bank Letter of Credit.

[Alternatively, the district may require specific collateral in accordance with its investment policy. In that case, the district would refer to its investment policy and use the following paragraph instead:

We will accept only the following as pledged collateral in accordance with our investment policy (see Attachment C, District Investment Policy):

The district lists items here.]

Banking Services Fees

Based on the services we require from you, complete the proposed fee schedule, Attachment A, Volumes for Pricing Transactions. All fees which may be charged to supply the services must be included or will not be eligible under the contract. We and you reserve the right to mutually agree upon any change of contract terms or pricing during the contract extension periods.

Depository Information

Please answer the following questions about your depository bank.

1. State the full name and address of the depository and any parent holding company. List all branch locations within our boundary.
2. Provide the annual audited financial statement for the most current fiscal year. This may be in printed form, but we prefer an electronic link to the website. Members of your holding companies must include corporate annual financial statements and your individual call report for the most recent operating quarter. Audited financial statements are required each year of the contract.
3. State your rating from an independent depository rating agency or, if that rating is not available, the rating on your senior and subordinate debt. You must inform us of any change in this rating during the period of the contract within a reasonable period.

4. Contact Information

To ensure smooth communication and continuation of services, you must assign a specific account executive and a backup to our account to coordinate services and help solve any problem encountered.

- a. Designate a depository officer as a primary contact with us.

Name _____
 Title _____
 Telephone # _____
 Fax # _____
 Email _____

- b. Designate a depository representative as a backup contact with us.

Name _____
 Title _____
 Telephone # _____
 Fax # _____
 Email _____

- c. If the primary and backup contacts are not available, how do we contact someone in an emergency? After hours?
 - d. Describe in detail how you handle problem resolution, customer service, day-to-day contact, and ongoing maintenance for governmental clients. Please be specific about exactly whom we will be calling and working with for the situations described above.
5. List references from at least three of your current, comparable governmental clients. Include the length of time under contract and a client contact, title, and telephone number.

6. Based on the services we require, please provide a proposed timeline for implementing the contract; include the timeline activities and direct responsibilities of both our district and your depository bank during implementation.
7. Provide a copy of all agreements (including those not directly referenced in this bid) that will be required under the contract.
8. If we award the contract to you, you must review our then-current district investment policy and certify in writing to that review in accordance with the Public Funds Investment Act verifying that you have sufficient controls in place to avoid transactions not authorized by the policy. [*The district specifies one: We have attached our investment policy to this bid notice. or We have provided a link to our investment policy on our website.*]

Banking Services

1. Consolidated Account Structure with Sweep Mechanism

We are interested in earning at then-current interest rates available at all times. We want the option to use an automated, daily sweep to a money market mutual fund or depository alternative account (if competitive) to reach our full investment goal. *[District option: We will not accept a repurchase agreement or offshore investments as sweep investment vehicles.]*

Our current account structure is listed as Attachment B, District's Current Account Structure. We do not guarantee that we will maintain the balances or structure at these same levels.

You must clearly describe your most cost-effective account structure (interest bearing accounts, zero balance accounts [ZBAs], or sweep, etc.).

- a. Fully describe the proposed account structure. Would a sweep be from a master account with ZBAs or directly swept from the individual accounts? Is interest distributed at the account level?
- b. State the average interest rate on the recommended alternative structure for the past 12 months.
- c. If an SEC-registered money market fund is used for the sweep proposal, provide the full name and a copy of the prospectus. It must strive to maintain a \$1 NAV.
- d. Interest earned on interest bearing accounts must **not** be charged as an expense on the account analysis. Confirm acceptance of this condition.

We may be required or may desire to open additional accounts, close accounts, or change account types during the contract period. If this occurs, the new accounts and services must be charged at the same contracted amount or, if unanticipated, at not more than published rates.

2. Automated Cash Management Information

We are interested in automated balance and detail information and online retention. Minimum automated services must include the following *[The district specifies the requirements.]*:

- prior-day summary and detail balance reporting on all accounts
 - intraday detail and summary balances (on local main and payroll accounts)
 - initiation and monitoring of stop payments
 - positive pay exception transactions
 - initiation and monitoring of internal and wire transfers
 - image access
 - controlled disbursement presentment totals [optional]
- a. Fully describe your online service. **List** the system capabilities (for example, balance reporting, wires, positive pay, stop payment, etc.).
 - b. What is your backup process to report balances and transactions in case the system is not available?
 - c. When is daily balance information available?

- d. Submit samples of major screens available, or provide web link access to a demonstration module.
- e. How is an individual security sign-on assigned, and who maintains the security module? How many levels of security are available?
- f. [Optional] With regard to controlled disbursements:
 - What is the cutoff time for disbursements?
 - What Federal Reserve location do these accounts clear through?
 - How do we have access to this information?

3. Deposit Services

We require standard commercial deposit services for all accounts.

We expect all deposited checks to clear based on your current published availability schedule, but please note any options for expedited availability in your bid. For all cleared deposits you receive by your established deadline, you must process them for same-day ledger credit. If you fail to credit our accounts in a timely fashion, you must pay interest to us at the then-current effective federal funds rate.

- a. What is your daily cutoff time to ensure same-day ledger credit?
- b. Describe how and when you send credit and debit advices to us.
- c. What type of deposit bags do you use or require? Are these available from you?
- d. In what city does item processing occur?

Remote Deposit

We are interested in establishing (or using] remote check deposit for a few high-volume locations during the contract period. These deposits include both consumer and commercial checks.

- e. What are your current capabilities in remote check deposit? Describe how checks are processed and cleared. Please state the cutoff time for same-day ledger credit.
- f. Give two comparable references with contact information.
- g. Do you produce a daily balancing report? Provide a sample.
- h. What scanner equipment is required to operate the system? Is this equipment available through your depository bank for purchase or lease? Please list the equipment required along with its cost.

4. Standard Disbursing Services

We are interested in standard disbursing services for designated accounts.

- a. Do you image all paid checks, deposit items, and deposit slips?
- b. Are check and deposit images available online? When? Do you provide a monthly compact disc (CD)? If not, are reports downloadable?
- c. How long do you maintain check and deposit images online?
- d. Do you pay all our checks without charge upon presentation?

5. Positive Pay

We require positive pay services if available at the bank for designated accounts on which checks are written. The positive pay process should be fully automated and web based. We will transmit check information electronically to you on each check run and as we create checks manually.

- a. Describe the data transmission and transfer requirements for automated and manual checks.
- b. Is input available online for manual checks? If it is not available online, how do we transmit information on individual manual checks to you?
- c. How can we change or delete check records, if necessary?
- d. How do you notify us of a positive pay exception?
- e. When do you report exception information to us? When is the deadline for our exception elections? Are images of exceptions available?
- f. Are all checks, including those received by the tellers and vault, verified against the positive pay file before processing? How often do you update teller information?
- g. Do you offer payee positive pay?
- h. Please provide a copy of your file layout format.

6. Account Reconciliation

We anticipate using partial or full reconciliation services on all accounts in concert with positive pay, depending on cost effectiveness.

- a. Describe the partial and full reconciliation processes.
- b. With what format(s) does your system interface? What record formats are required? *[Alternatively, the district can specify its interface format for the depository to determine compatibility.]* How do you send reconciled data to us? When?
- c. Please provide references of customers who use the XX ledger system?
- d. Specify all reporting alternatives.
- e. Are reports available online? How long are reports maintained online? Provide a sample copy of reports.

7. Funds Transfer and Wire Services

Incoming wire transfers must receive immediate same-day collected credit. Wire initiation should be available online. We require that wires be released the same business day if information is provided by the established deadline.

- a. Describe the process of online wire initiation. What backup process is available for the online process in case the system is unavailable?
- b. Is any paper transaction required for transfers or wires as follow-up?
- c. How and when will you notify us of incoming wires? Online? Email?
- d. Is future dating available for both repetitive and non repetitive wires and transfers? How far in advance?
- e. What is the deadline for initiation:
 - by telephone?
 - online?

- f. Are templates and template storage available?

8. Optical Imaging

We desire optical images that are downloadable or on CD on all accounts.

- a. What items and reports are available online (checks, statements, deposit slips, deposited items, etc.)? How long are each available online?
- b. What items are captured on the monthly CD, if provided?
- c. When do you make the monthly CD or imaged reports available?
- d. When and for how long are statements and account analyses available online?

9. Automated Clearinghouse (ACH) Services

We require ACH transactions for payable and receivable transactions. We require a pre-notification (pre-note) on all new transactions.

- a. Describe the transmission alternatives for individual ACH transactions. Can we initiate individual ACH transactions online?
- b. What filters and blocks are available on our accounts for ACH transactions?
- c. Are ACH addenda shown in their entirety online and in reports?
- d. What is your policy on pre-notification? Is the pre-note charged as a standard ACH transaction?
- e. What is the deadline for transmission (hour and day) for a payroll to credit employee accounts on a Friday?
- f. Is ACH positive pay available?
- g. Does ACH debit the account on day of initiation or settlement?

10. Safekeeping Services

We may require you or another eligible offeror to provide book-entry safekeeping services for any securities we own. We will make all our investments and transmit instructions for clearing and safekeeping to you in writing or electronically.

All securities must be cleared on a **delivery versus payment (DVP)** basis. Ownership must be documented by original clearing confirmations, and safekeeping of receipts must be provided within one business day of the transaction. Funds for investments must be drawn from our designated demand deposit account. All principal and interest payments, coupon payments, and maturities must receive automated same-day collected credit on our designated account without requiring any additional action by us.

If you use a correspondent bank for safekeeping our securities, the transactions must be handled through your systems and must not require additional interaction by us with the correspondent bank. No delay in transactions, wires, or flow of funds is acceptable under a correspondent relationship.

- a. Are you a member of either the Federal Reserve or a Federal Home Loan Bank? If not, name the correspondent depository you would use for clearing and safekeeping.

- Describe any safekeeping arrangement proposed with a correspondent depository including processing requirements by us.
- b. Are security transactions available online for either originating or monitoring?
 - c. What is the deadline for settlement instructions on a cash (same-day) settlement? Would we incur any charge for late instructions?

We may choose to purchase time deposits from you, but all time deposits will be competitively bid at the time of purchase.

11. Collateral Requirements

You must meet all the requirements, including those beyond the Public Funds Collateral Act, as stated below. The bid must state that you agree to the following terms and conditions:

- All collateral pledged to us must be held by a custodian or permitted institution as specified by the Texas Government Code, Chapter 2257, Public Funds Collateral Act. *[Alternatively, the district may specify any limitations on its preferred custodial arrangement.]*
- We, you, and the safekeeping bank must execute a triparty safekeeping agreement for custody of pledged securities in full compliance with the FIRREA requiring a depository resolution. (Or completion of Circular 7 if a Federal Reserve bank is acting as custodian. Even if a Federal Reserve bank is used, you and we must still execute a depository agreement.)
- All time and demand deposits above FDIC coverage must be collateralized at a minimum of 102 percent of principal plus accrued interest at all times (110 percent on mortgage-backed securities).
- You are contractually liable for continuously monitoring and maintaining collateral at our required margin levels.
- The custodian must provide evidence of pledged collateral by sending original safekeeping receipts or a report directly to us within one business day of receipt.
- We must receive a monthly report of collateral pledged including description, par, market value, and cusip, at a minimum.
- We may grant substitution rights if you obtain our prior approval and if substituting securities are received before previously pledged securities are removed from safekeeping.

Authorized collateral includes only approved securities as specified by the Texas Government Code, Chapter 2257, Public Funds Collateral Act and noted above.

- a. Do you propose any collateral charges? If so, under what conditions are they charged, and how is the charge applied?
- b. What is your deadline for requesting collateral in excess of existing requirements?

12. Account Analysis

You should provide monthly account analysis reports for each account and on a consolidated account basis.

- a. When is the account analysis available each month?
- b. Is the account analysis available online? Is it imaged monthly on electronic media?

- c. Are paper statements also sent to us? If so, when?
- d. How long will it take you to correct any billing errors on the account analysis?

13. Monthly Statements

You must provide monthly account statements on all accounts with complete supporting documentation.

- a. State when monthly statements will be available each month online and on paper.
- b. Is the monthly statement available online? If so, when and for how long? Are the statements imaged and/or put on electronic media monthly?
- c. If imaged, are paper statements also sent to us? If so, when?

14. Overdrafts

- a. Are all accounts aggregated for overdraft calculation purposes?
- b. State the rate basis for intraday and interday overdrafts.
- c. What is the policy for daylight overdrafts?

15. Stop Payments

We desire an automated stop payment process.

- a. What are the time period options available for stop payments?
- b. What are the options for extended stop payment periods? How are they extended?
- c. What is the cutoff hour for same-day action on stop payments?
- d. Can we initiate stop payment orders online? If so, do you require any paper follow-up document?
- e. What information on current and expiring stop payments is available online?

16. Customer Service

- a. Do you offer customer services in languages other than English?
- b. What languages are offered?

17. Service Enhancements

Based on the information you provide in the bid and your knowledge of the public sector, please describe any services or technological enhancements, not previously mentioned, that we should consider to manage our treasury operations more effectively.

Optional Services

1. Nonsufficient Funds (NSF) Checks Re-presented as ACH (Re-presented Check [RCK] Entry)

We may want the option of the second presentment to be made by ACH to targeted dates for maximum collection potential.

- a. Are you currently using ACH for collection of NSF checks? How long have you been providing this service? Provide two comparable references with contact information.
- b. How are the NSF and the later ACH transactions matched and reconciled? Does your system cross-reference the two transactions in any way?
- c. Is the NSF information, image, or occurrence available online? When and how? For how long is it available online?
- d. Can we specify any target pay day(s)?

2. Merchant Services.

We currently accept Visa, MasterCard, American Express, Discover, and debit card payments approximating \$_____ in collections per month with an average ticket size of \$_____. There are _____ (specify number) locations with _____ (specify number) terminals. *[Alternatively: We are interested in possibly accepting credit card payments for various activities.]* The service should include daily capture, transmission, and authorization of payments at point of sale and on the web. The service must include reporting by location.

[The district inserts this statement if it is true: We can and do comply with Payment Card Industry Data Security Standards.]

- a. Do you currently offer merchant card processing services? How long has this service been available? What interface format(s) does your system supply?
- b. How many institutions and end customers do you have?
- c. Describe the fee components of a merchant card processing relationship. Provide a list of all the fees to us. State the association fees, the discount rates, and your fee per transaction.
- d. Do you have software that allows online payments to us through your portal?
- e. Describe the reporting functions and data availability.
- f. Describe billing options.
- g. Describe the authorization method or process used. How are incorrect authorizations reversed?
- h. Describe your debit card processing capabilities. Do you distinguish between debit and credit cards on your bank identification number (BIN)? Can you program a debit card to the lowest cost network?
- i. Describe your transmission process. Describe the monitoring and notification process if transmissions fail.
- j. Is data imaging available online? What is available online? When? For how long?
- k. Describe the dispute resolution process.
- l. Describe your security measures for Internet transactions and unauthorized use.

3. Payroll Cards or Debit Cards

We are exploring the use of stored-value cards (payroll cards or debit cards) as a payroll option for employees at a minimum. Cardholders should be able to use the cards as debit

cards for purchases at point of sale as well as for cash withdrawals at financial institutions and automated teller machines.

The purchasing ability of the cards must be limited to the stored value of the card. We may choose not to pay for access fees for the employees issued the stored-value cards.

We will be responsible for any marketing of the program and have total discretion on the distribution of the cards. We will enroll the employees. You must provide cardholders with all processing and transaction information and reports. We expect the following services from you, at a minimum:

- embossing, encoding, and distributing standard cards as directed by us
 - providing paper and electronic statements to cardholders
 - administering accounts, including maintenance of accounts, application of funds, authorization of transactions, and related tracking
 - customer service functions
- a. Do you currently provide this service? If so, how long has it been available?
 - b. How many institutions and end customers use the service? Provide three comparable references for the service.
 - c. Which program (authorization marks) does your program use? (Visa, MasterCard, etc.)
 - d. Describe the enrollment process. Is enrollment batched and web-based?
 - e. Describe the manner by which funds will be made available to the cardholders.
 - f. What are the inactivity levels for the program? Do these generate additional fees? Describe any other potential fees.
 - g. Are all funding transmissions by standard ACH? Describe the data transmission requirements and deadlines.

4. Purchasing Cards

We may consider a purchasing card program during the contract period. Cards would be assigned to our employees for defined use.

- a. What card platforms do you support (MasterCard, Visa)? Do you use a third-party processor?
- b. What, if any, information is available online? When? Describe data download and integration capabilities. Describe reporting capabilities.
- c. What client support is available? How is it provided?
- d. Describe the diverse parameters and restrictions available for the card control. How many access levels are available?
- e. Discuss settlement and corporate liability terms. Include information on your support for the program and your experience, settlement terms on payment, security procedures, and license requirements. How will we receive billing?
- f. Describe how cards are issued, deleted, or replaced. How do you handle lost or stolen cards?
- g. Provide three comparable references for the service.

5. Check Printing

- a. Do you offer check printing services? Describe?
- b. What is the deadline for same-day and next day printing?
- c. Where are checks printed and sent from?

6. Smart Safes

- a. Do you offer smart safes? Describe.
- b. From our deposit history is this cost effective?

Schedules and Attachments

We provide the following:

- copy of our audited financial statements *[or link to website]*
- Attachment A, Volumes for Pricing Transactions (filled in with volumes)
- Attachment B, District's Current Account Structure
- Attachment C, District Investment Policy *[or link to website]*

You must include the following information with the bid:

- copy of your audited financial statements *[or link to website]*
- corporate audited financial statements and the individual depository's call report (for members of your holding companies) *[or link to website]*
- Uniform Bank Performance Report reference
- Attachment A, Volumes for Pricing Transactions (filled in with rates)
- Sample Account Analysis Statement
- Attachment D, Sample Collateral Agreement
- any service agreements (including those not directly referenced in this bid) that must be executed under the contract (if applicable)
- screen shots of major pages within your automated cash management system, or online web demo access (if available)
- sample daily balancing report for remote deposit (if applicable)
- sample account reconciliation reports (if applicable)

Optional Acknowledgments *[The district has the option to insert these acknowledgments.]*

You confirm that you will not charge interest earned on the account analysis.

If awarded the contract, you must review our then-current district investment policy and certify in writing to that review in accordance with the Public Funds Investment Act verifying that you have sufficient controls in place to avoid transactions not authorized by the policy.

You accept the investment options and/or collateral conditions as specified in our investment policy.

By submitting this bid, you acknowledge that you agree with and accept all specifications in the bid except as you expressly qualified in the bid.

Bank: _____

Address: _____

City, State, Zip: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

Typed Name: _____

Date: _____

Proposal Form

for Depository Services

by _____ Independent School District

Definitions and Instructions

In this document, the terms “you” and “your” refer to the depository bank, and “we,” “our,” and “us” refer to the district named above.

You must answer all questions in this form and provide it to us as your proposal.

We have the right to reject any proposal. If any part of this proposal or any contract entered into between you and us is invalid, the remainder, at our option, remains in force and is not affected. We have the right to use a sub-depository bank other than the primary bank and those deposits will be collateralized.

Bank Compensation

We may pay for your services by targeted balances or by fees and change the methodology when appropriate? Please detail any differences in related costs to us with either option.

Compensation Based on a Targeted Balance

We may choose to pay for your services by maintaining a targeted amount of our funds in the depository. We will maintain balances in the checking accounts to compensate you in full or in part for services provided. You must provide a monthly account analysis that reflects the earnings credited for these balances.

You may invest any excess collected balance daily as directed by us in an overnight investment that we approve, an interest bearing account, or a money market mutual fund registered with the Securities and Exchange Commission (SEC) which strives to maintain a \$1 NAV. Please list below the overnight investment and any index upon which the rate will be based.

The rate history at your bank for the months beginning MM/YY and ending MM/YY was:

Earnings Credit Rate (ECR):	_____	%
Interest Bearing Accounts:	_____	%
Money Market Accounts:	_____	%
Sweep Accounts:	_____	%

[Alternatively, the district may require the depository bank to complete the information by month according to Attachment A, Historical Information about the Bank.]

If any of these rates is based on an index rate (such as the T-Bill auction rate), stipulate how you will use the index to calculate the rate.

Compensation Based on Fees

We may choose to pay for your services on a straight fee basis in which we will not maintain a targeted balance. You will assess fees, and we will pay them in accordance with your proposed fees as listed on Attachment A, Volumes for Pricing Transactions.

District Investments

We reserve the right to purchase, sell, and invest our funds and funds under our control, including bond funds, as authorized by the Texas Government Code, Chapter 2256, Public Funds Investment Act, and in compliance with our investment policy, a copy of which is attached as Attachment C *[alternatively, the district may provide the link to the investment policy on the district's website]*.

[The district chooses to insert language of Option A or Option B]

Option A

We may choose to invest in time deposits at the depository, but all investments including certificates of deposit are bid competitively at the time of purchase.

Option B

We may choose to invest in time deposits at the depository. You will pay interest on our funds placed in time deposits with maturities we chose. The interest rate spread on the deposits should be indicated as above, below, or equal to the "asked" yield on the comparable maturity T-Bill of the proposed time deposit being purchased as reported in an independent, financial source.

Single Maturity Time Deposits of more than \$100,000:

Maturity	Basis point spread over (+) or under (-) T-Bill "asked" yield <i>[District-specified rate]</i>
7 – 29 Days	_____
30 – 59 Days	_____
60 – 89 Days	_____
90 – 179 Days	_____
180 – 364 Days	_____
365 Days or More	_____

Collateral

Collateral Conditions

You must provide collateral equal to 102 percent of all our time and demand deposits plus accrued interest minus applicable Federal Deposit Insurance Corporation (FDIC) coverage. Collateral will be pledged to us and held in an independent safekeeping institution by a custodian or permitted institution as specified by the Texas Government Code, Chapter 2257, Public Funds Collateral Act. You will be liable for monitoring and maintaining the collateral and the required margin at all times and will provide an original safekeeping notice and a monthly report of the collateral including at least the security description, par amount, cusip, and market value.

You and we must execute a collateral agreement in accordance with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Provide a sample collateral agreement as Attachment D, Sample Collateral Agreement.

We estimate our maximum anticipated collateral requirement to be \$_____.

If voluntary collateral pooling is legislated during the period of this contract, you and we may consider it and agree to use it under this contract.

Eligible Collateral

We will accept only approved securities as specified by the TEC, §45.201, as pledged collateral, voluntary pooled collateral (if available) or a Federal Home Loan Bank Letter of Credit.

[Alternatively, the district may require specific collateral in accordance with its investment policy. In that case, the district would refer to its investment policy and use the following paragraph instead:

We will accept only the following as pledged collateral in accordance with our investment policy (see Attachment C, District Investment Policy):

The district lists items here.]

Banking Services Fees

Based on the services we require from you, complete the proposed fee schedule, Attachment A, Volumes for Pricing Transactions. All fees which may be charged to supply the services must be included or will not be eligible under the contract. We and you reserve the right to mutually agree upon any change of contract terms or pricing during the contract extension periods.

Depository Information

Please answer the following questions about your depository bank.

1. State the full name and address of the depository and any parent holding company. List all branch locations within our boundary.
2. Provide the annual audited financial statement for the most current fiscal year. This may be in printed form, but we prefer an electronic link to the website. Members of your holding companies must include corporate annual financial statements and your individual call report for the most recent operating quarter. Audited financial statements are required each year of the contract.
3. State your rating from an independent depository rating agency or, if that rating is not available, the rating on your senior and subordinate debt. You must inform us of any change in this rating during the period of the contract within a reasonable period.

4. Contact Information

To ensure smooth communication and continuation of services, you must assign a specific account executive and a backup to our account to coordinate services and help solve any problem encountered.

- a. Designate a depository officer as a primary contact with us.

Name _____
 Title _____
 Telephone # _____
 Fax # _____
 Email _____

- b. Designate a depository representative as a backup contact with us.

Name _____
 Title _____
 Telephone # _____
 Fax # _____
 Email _____

- c. If the primary and backup contacts are not available, how do we contact someone in an emergency? After hours?
 - d. Describe in detail how you handle problem resolution, customer service, day-to-day contact, and ongoing maintenance for governmental clients. Please be specific about exactly whom we will be calling and working with for the situations described above.
5. List references from at least three of your current, comparable governmental clients. Include the length of time under contract and a client contact, title, and telephone number.

6. Based on the services we require, please provide a proposed timeline for implementing the contract; include the timeline activities and direct responsibilities of both our district and your depository bank during implementation.
7. Provide a copy of all agreements (including those not directly referenced in this proposal) that will be required under the contract.
8. If we award the contract to you, you must review our then-current district investment policy and certify in writing to that review in accordance with the Public Funds Investment Act verifying that you have sufficient controls in place to avoid transactions not authorized by the policy. *[The district specifies one: We have attached our investment policy to this proposal notice. or We have provided a link to our investment policy on our website.]*
9. We may conduct a preaward interview on-site at your depository bank before awarding the contract. Please provide us with a contact name for arranging the preaward interview.
10. Are you offering any transition or retention incentive to us? If so, please describe it in detail

Banking Services

1. Consolidated Account Structure with Sweep Mechanism

We are interested in earning at then-current interest rates available at all times. We want the option to use an automated, daily sweep to a money market mutual fund or depository alternative account (if competitive) to reach our full investment goal. *[District option: We will not accept a repurchase agreement or offshore investments as a sweep investment vehicle.]*

Our current account structure is listed as Attachment B, District's Current Account Structure. We do not guarantee that we will maintain the balances or structure at these same levels.

You must clearly describe your most cost-effective account structure (interest bearing accounts, zero balance accounts [ZBAs], or sweep, etc.).

- a. Fully describe the proposed account structure. Would a sweep be from a master account with ZBAs or directly swept from the individual accounts? Is interest distributed at the account level?
- b. State the average interest rate on the recommended alternative structure for the past 12 months.
- c. If an SEC-registered money market fund is used for the sweep proposal, provide the full name and a copy of the prospectus. It must strive to maintain a \$1 NAV.
- d. Interest earned on interest bearing accounts must **not** be charged as an expense on the account analysis. Confirm acceptance of this condition.

We may be required or may desire to open additional accounts, close accounts, or change account types during the contract period. If this occurs, the new accounts and services must be charged at the same contracted amount or, if unanticipated, at not more than published rates.

2. Automated Cash Management Information

We are interested in automated balance and detail information and online retention. Minimum automated services must include the following *[The district specifies the requirements.]*:

- prior-day summary and detail balance reporting on all accounts
 - intraday detail and summary balances (on local main and payroll accounts)
 - initiation and monitoring of stop payments
 - positive pay exception transactions
 - initiation and monitoring of internal and wire transfers
 - image access
 - controlled disbursement presentment totals [optional]
- a. Fully describe your online service. **List** the system capabilities (for example, balance reporting, wires, positive pay, stop payment, etc.).
 - b. What is your backup process to report balances and transactions in case the system is not available?
 - c. When is daily balance information available?

- d. Submit samples of major screens available, or provide web link access to a demonstration module.
- e. How is an individual security sign-on assigned, and who maintains the security module? How many levels of security are available?
- f. [Optional] With regard to controlled disbursements:
 - What is the cutoff time for disbursements?
 - What Federal Reserve location do these accounts clear through?
 - How do we have access to this information?

3. Deposit Services

We require standard commercial deposit services for all accounts.

We expect all deposited checks to clear based on your current published availability schedule, but please note any options for expedited availability in your proposal. For all cleared deposits you receive by your established deadline, you must process them for same-day ledger credit. If you fail to credit our accounts in a timely fashion, you must pay interest to us at the then-current effective federal funds rate.

- a. What is your daily cutoff time to ensure same-day ledger credit?
- b. Describe how and when you send credit and debit advices to us.
- c. What type of deposit bags do you use or require? Are these available from you?
- d. In what city does item processing occur?

Remote Deposit

We are interested in establishing or using remote check deposit for a few high-volume locations during the contract period. These deposits include both consumer and commercial checks.

- e. What are your current capabilities in remote check deposit? Describe how checks are processed and cleared. Please state the cutoff time for same-day ledger credit.
- f. Give two comparable references with contact information.
- g. Do you produce a daily balancing report? Provide a sample.
- h. What scanner equipment is required to operate the system? Is this equipment available through your depository bank for purchase or lease? Please list the equipment required along with its cost.

4. Standard Disbursing Services

We are interested in standard disbursing services for designated accounts.

- a. Do you image all paid checks, deposit items and deposit slips?
- b. Are check and deposit images available online? When? Do you provide a monthly compact disc (CD)? If not, are reports downloadable?
- c. How long do you maintain check and deposit images online?
- d. Do you pay all our checks without charge upon presentation?

5. Positive Pay

We require positive pay services if available at the bank for designated accounts on which checks are written. The positive pay process should be fully automated and web based. We will transmit check information electronically to you on each check run and as we create checks manually.

- a. Describe the data transmission and transfer requirements for automated and manual checks.
- b. Is input available online for manual checks? If it is not available online, how do we transmit information on individual manual checks to you?
- c. How can we change or delete check records, if necessary?
- d. How do you notify us of a positive pay exception?
- e. When do you report exception information to us? When is the deadline for our exception elections? Are images of exceptions available?
- f. Are all checks, including those received by the tellers and vault, verified against the positive pay file before processing? How often do you update teller information?
- g. Do you offer payee positive pay?
- h. Please provide a copy of your file layout format.

6. Account Reconciliation

We anticipate using partial or full reconciliation services on all accounts in concert with positive pay, depending on cost effectiveness.

- a. Describe the partial and full reconciliation processes.
- b. With what format(s) does your system interface? What record formats are required? *[Alternatively, the district can specify its interface format for the depository to determine compatibility.]* How do you send reconciled data to us? When?
- c. Please provide references of customers who use the XX ledger system?
- d. Specify all reporting alternatives.
- e. Are reports available online? How long are reports maintained online? Provide a sample copy of reports.

7. Funds Transfer and Wire Services

Incoming wire transfers must receive immediate same-day collected credit. Wire initiation should be available online. We require that wires be released the same business day if information is provided by the established deadline.

- a. Describe the process of online wire initiation. What backup process is available for the online process in case the system is unavailable?
- b. Is any paper transaction required for transfers or wires as follow-up?
- c. How and when will you notify us of incoming wires? Online? Email?
- d. Is future dating available for both repetitive and non repetitive wires and transfers? How far in advance?
- e. What is the deadline for initiation:
 - by telephone?
 - online?
- f. Are templates and template storage available?

8. Optical Imaging

We desire optical images that are downloadable or on CD on all accounts.

- a. What items and reports are available online (checks, statements, deposit slips, deposited items, etc.)? How long are each available?
- b. What items are captured on the monthly CD, if provided?
- c. When do you make the monthly CD or imaged reports available?
- d. When and for how long are statements and account analyses available online?

9. Automated Clearinghouse (ACH) Services

We require ACH transactions for payable and receivable transactions. We require a pre-notification (pre-note) on all new transactions.

- a. Describe the transmission alternatives for individual ACH transactions. Can we initiate individual ACH transactions online?
- b. What filters and blocks are available on our accounts for ACH transactions?
- c. Are ACH addenda shown in their entirety online and in reports?
- d. What is your policy on pre-notification? Is the pre-note charged as a standard ACH transaction?
- e. What is the deadline for transmission (hour and day) for a payroll to credit employee accounts on a Friday?
- f. Is ACH positive pay available?
- g. Does ACH debit the account on day of initiation or settlement?

10. Safekeeping Services

We may require you or another eligible offeror to provide book-entry safekeeping services for any securities we own. We will make all our investments and transmit instructions for clearing and safekeeping to you in writing or electronically.

All securities must be cleared on a **delivery versus payment (DVP)** basis. Ownership must be documented by original clearing confirmations, and safekeeping of receipts must be provided within one business day of the transaction. Funds for investments must be drawn from our designated demand deposit account. All principal and interest payments, coupon payments, and maturities must receive automated same-day collected credit on our designated account without requiring any additional action by us.

If you use a correspondent bank for safekeeping our securities, the transactions must be handled through your systems and must not require additional interaction by us with the correspondent bank. No delay in transactions, wires, or flow of funds is acceptable under a correspondent relationship.

- a. Are you a member of either the Federal Reserve or a Federal Home Loan Bank? If not, name the correspondent depository you would use for clearing and safekeeping. Describe any safekeeping arrangement proposed with a correspondent depository including processing requirements by us.
- b. Are security transactions available online for either originating or monitoring?

- c. What is the deadline for settlement instructions on a cash (same-day) settlement?
Would we incur any charge for late instructions?

We may choose to purchase time deposits from you, but all time deposits will be competitively bid at the time of purchase.

11. Collateral Requirements

You must meet all the requirements, including those beyond the Public Funds Collateral Act, as stated below. The proposal must state that you agree to the following terms and conditions:

- All collateral pledged to us must be held by a custodian or permitted institution as specified by the Texas Government Code, Chapter 2257, Public Funds Collateral Act. *[Alternatively, the district may specify any limitations on its preferred custodial arrangement.]*
- We, you, and the safekeeping bank must execute a triparty safekeeping agreement for custody of pledged securities in full compliance with the FIRREA requiring a depository resolution. (Or completion of Circular 7 if a Federal Reserve bank is acting as custodian. Even if a Federal Reserve bank is used, you and we must still execute a depository agreement.)
- All time and demand deposits above FDIC coverage must be collateralized at a minimum of 102 percent of principal plus accrued interest at all times (110 percent on mortgage-backed securities).
- You are contractually liable for continuously monitoring and maintaining collateral at our required margin levels.
- The custodian must provide evidence of pledged collateral by sending original safekeeping receipts or a report directly to us within one business day of receipt.
- We must receive a monthly report of collateral pledged including description, par, market value, and cusip, at a minimum.
- We must grant substitution rights if you obtain our prior approval and if substituting securities are received before previously pledged securities are removed from safekeeping.

Authorized collateral includes only approved securities as specified by the Texas Government Code, Chapter 2257, Public Funds Collateral Act and noted above.

- a. Do you propose any collateral charges? If so, under what conditions are they charged, and how is the charge applied?
- b. What is your deadline for requesting collateral in excess of existing requirements?

12. Account Analysis

You should provide monthly account analysis reports for each account and on a consolidated account basis.

- a. When is the account analysis available each month?
- b. Is the account analysis available online? Is it imaged on electronic media monthly?
- c. Are paper statements also sent to us? If so, when?
- d. How long will it take you to correct any billing errors on the account analysis?

13. Monthly Statements

You must provide monthly account statements on all accounts with complete supporting documentation.

- a. State when monthly statements will be available each month online and on paper.
- b. Is the monthly statement available online? If so, when and for how long? Are the statements imaged and/or put on electronic media monthly?
- c. If imaged, are paper statements also sent to us? If so, when?

14. Overdrafts

- a. Are all accounts aggregated for overdraft calculation purposes?
- b. State the rate basis for intraday and interday overdrafts.
- c. What is the policy for daylight overdrafts?

15. Stop Payments

We desire an automated stop payment process.

- a. What are the time period options available for stop payments?
- b. What are the options for extended stop payment periods? How are they extended?
- c. What is the cutoff hour for same-day action on stop payments?
- d. Can we initiate stop payment orders online? If so, do you require any paper follow-up document?
- e. What information on current and expiring stop payments is available online?

16. Customer Service

- a. Do you offer customer services in languages other than English?
- b. What languages are offered?

17. Service Enhancements

Based on the information you provide in the proposal and your knowledge of the public sector, please describe any services or technological enhancements, not previously mentioned, that we should consider to manage our treasury operations more effectively.

Optional Services

1. Nonsufficient Funds (NSF) Checks Re-presented as ACH (Re-presented Check [RCK] Entry)

We may want the option of the second presentment to be made by ACH to targeted dates for maximum collection potential.

- a. Are you currently using ACH for collection of NSF checks? How long have you been providing this service? Provide two comparable references with contact information.
- b. How are the NSF and the later ACH transactions matched and reconciled? Does your system cross-reference the two transactions in any way?
- c. Is the NSF information, image, or occurrence available online? When and how? For how long is it available online?
- d. Can we specify any target pay day(s)?

2. Merchant Services.

We currently accept Visa, MasterCard, American Express, Discover, and debit card payments approximating \$_____ in collections per month with an average ticket size of \$_____. There are _____ (specify number) locations with _____ (specify number) terminals. *[Alternatively: We are interested in possibly accepting credit card payments for various activities.]* The service should include daily capture, transmission, and authorization of payments at point of sale and on the web. The service must include reporting by location.

[The district inserts this statement if it is true: We can and do comply with Payment Card Industry Data Security Standards.]

- a. Do you currently offer merchant card processing services? How long has this service been available? What interface format(s) does your system supply?
- b. How many institutions and end customers do you have?
- c. Describe the fee components of a merchant card processing relationship. Provide a list of all the fees to us. State the association fees, the discount rates, and your fee per transaction.
- d. Do you have software that allows online payments to us through your portal?
- e. Describe the reporting functions and data availability.
- f. Describe billing options.
- g. Describe the authorization method or process used. How are incorrect authorizations reversed?
- h. Describe your debit card processing capabilities. Do you distinguish between debit and credit cards on your bank identification number (BIN)? Can you program a debit card to the lowest cost network?
- i. Describe your transmission process. Describe the monitoring and notification process if transmissions fail.
- j. Is data imaging available online? What is available online? When? For how long?
- k. Describe the dispute resolution process.
- l. Describe your security measures for Internet transactions and unauthorized use.

3. Payroll Cards or Debit Cards

We are exploring the use of stored-value cards (payroll cards or debit cards) as a payroll option for employees at a minimum. Cardholders should be able to use the cards as debit

cards for purchases at point of sale as well as for cash withdrawals at financial institutions and automated teller machines.

The purchasing ability of the cards must be limited to the stored value of the card. We may choose not to pay for access fees for the employees issued the stored-value cards.

We will be responsible for any marketing of the program and have total discretion on the distribution of the cards. We will enroll the employees. You must provide cardholders with all processing and transaction information and reports. We expect the following services from you, at a minimum:

- embossing, encoding, and distributing standard cards as directed by us
 - providing paper and electronic statements to cardholders
 - administering accounts, including maintenance of accounts, application of funds, authorization of transactions, and related tracking
 - customer service functions
- a. Do you currently provide this service? If so, how long has it been available?
 - b. How many institutions and end customers use the service? Provide three comparable references for the service.
 - c. Which program (authorization marks) does your program use? (Visa, MasterCard, etc.)
 - d. Describe the enrollment process. Is enrollment batched and web-based?
 - e. Describe the manner by which funds will be made available to the cardholders.
 - f. What are the inactivity levels for the program? Do these generate additional fees? Describe any other potential fees.
 - g. Are all funding transmissions by standard ACH? Describe the data transmission requirements and deadlines.

4. Purchasing Cards

We may consider a purchasing card program during the contract period. Cards would be assigned to our employees for defined use.

- a. What card platforms do you support (MasterCard, Visa)? Do you use a third-party processor?
- b. What, if any, information is available online? When? Describe data download and integration capabilities. Describe reporting capabilities.
- c. What client support is available? How is it provided?
- d. Describe the diverse parameters and restrictions available for the card control. How many access levels are available?
- e. Discuss settlement and corporate liability terms. Include information on your support for the program and your experience, settlement terms on payment, security procedures, and license requirements. How will we receive billing?
- f. Describe how cards are issued, deleted, or replaced. How do you handle lost or stolen cards?
- g. Provide three comparable references for the service.

5. Check Printing

- a. Do you offer check printing services? Describe?
- b. What is the deadline for same-day and next day printing?
- c. Where are checks printed and sent from?

6. Smart Safes

- a. Do you offer smart safes? Describe.
- b. From our deposit history is this cost effective?

Schedules and Attachments

We provide the following:

- copy of our audited financial statements *[or link to website]*
- Attachment A, Volumes for Pricing Transactions (filled in with volumes)
- Attachment B, District's Current Account Structure
- Attachment C, District Investment Policy *[or link to website]*

You must include the following information with the proposal:

- copy of your audited financial statements *[or link to website]*
- corporate audited financial statements and the individual depository's call report (for members of your holding companies) *[or link to website]*
- Uniform Bank Performance Report reference
- Attachment A, Volumes for Pricing Transactions (filled in with rates)
- Sample Account Analysis Statement
- Attachment D, Sample Collateral Agreement
- any service agreements (including those not directly referenced in this proposal) that must be executed under the contract (if applicable)
- screen shots of major pages within your automated cash management system, or online web demo access (if available)
- sample daily balancing report for remote deposit (if applicable)
- sample account reconciliation reports (if applicable)

Optional Acknowledgments *[insert as required by district preference]*

You confirm that you will not charge interest earned on the account analysis.

If awarded the contract, you must review our then-current district investment policy and certify in writing to that review in accordance with the Public Funds Investment Act verifying that you have sufficient controls in place to avoid transactions not authorized by the policy.

You accept the investment options and/or collateral conditions as specified in our investment policy.

By submitting this proposal, you acknowledge that you agree with and accept all specifications in the proposal except as you expressly qualified in the proposal.

Bank: _____

Address: _____

City, State, Zip: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

Typed Name: _____

Date: _____

**Depository Contract for Funds
of Independent School Districts
under the Texas Education Code, Chapter 45, Subchapter G,
School District Depositories**

State of Texas

County of _____

County-District Number

Article I. The _____, referred to in this contract
Name of District

as the "District," is located in _____ County, Texas. The board of trustees of the District has selected
Name of County

_____, referred to in this contract as the "Depository," to serve as the Depository of the
Name of Depository Bank

school funds of the District (or if there are tie bids or proposals as defined in the Texas Education Code [TEC], as one of the Depositories). This selection was made in accordance with the TEC, Chapter 45, Subchapter G. The Depository will serve under this contract for a two-year term starting with the fiscal year beginning _____ and ending _____, and until its successor is selected and has qualified unless
Date *Date*

this contract is terminated sooner by the Depository's failure to adhere to all requirements of the TEC and of this contract. The school funds of the District include all school funds except those permitted by law to be deposited or invested otherwise at the sole discretion of the District's board of trustees.

The Depository is located at _____ County, State of Texas, and is a
Bank Mailing Address, City, Zip Code *Name of County*

bank as defined in the TEC, §45.201.

Article II. The District selected the Depository based on the Depository's written bid or proposal submitted as provided by State Board of Education rule. The District determined that the Depository's written bid or proposal was the best, or equal to the best, among _____ bids or
Number Submitted

proposals submitted to the District and opened on _____. The bid or proposal is incorporated in this contract by reference.
Date

This contract is subject to the TEC and any amendments to it and to any acts of the Texas Legislature that affect public moneys held by the District during the term of this contract.

Article III. The Depository has elected a method to adequately protect the funds of the District deposited with the Depository in accordance with the TEC, §45.208, and a copy of the election is attached to this contract and incorporated by reference.

Article IV.

- A. The TEC, §45.205, requires that this contract and any extension of this contract coincide with the District's fiscal year. If the District changes its fiscal year in accordance with the TEC, §44.0011, the parties may agree to shorten or extend the two-year term of the contract by no more than one year to coincide with the end of the new fiscal year, provided that this contract remains in effect until the Depository's successor is selected and has qualified. If the parties cannot agree, the District has the option to change the term of this contract to coincide with the end of a new fiscal year closest to its original expiration date.
- B. The District and the Depository may agree to extend this contract for three additional two-year terms in accordance with the TEC, §45.205(b). The contract may be modified for each two-year extension if both parties mutually agree to the terms. An extension under this subsection is not subject to the requirements of the TEC, §45.206.
- C. The District must electronically file this contract and any additional two-year extension of this contract with the Texas Education Agency.
- D. The Depository must allow the District to purchase time deposits that mature after the ending date of this contract; however, the Depository may apply new interest rates to the time deposits after the ending date of this contract. The District is entitled to withdraw these time deposits without penalty when this contract expires. But in that event, the Depository will be obligated only to pay interest rates comparable to rates offered in the contract for the term the time deposits were actually held. The Depository may impose an early withdrawal penalty on a time deposit withdrawn within six days of creation of the deposit, to the extent required to comply with federal regulations defining time deposits.
- E. If a contractual dispute results in litigation between the Depository and the District, the trial will be held in the county in which the District has its central office, but only if this venue designation is not considered to be a waiver of any immunity that either party to this contract may be entitled to claim.

Article V. The District and the Depository execute this contract and each retain a copy, both of which are considered to be originals, and file the contract with the TEA electronically as specified in Article IV, item C, above.

**Election of Collateral Method for Funds
of Independent School Districts
under the Texas Education Code, Chapter 45, Subchapter G,
School District Depositories**

In accordance with Article III of the Depository Contract for Funds, the Depository has elected to use the following method(s) to protect the funds of the District:

- ___ Surety bond (TEC, §45.208[b])
- ___ Deposit or pledge securities (TEC, §45.208[f])

- A. If the Depository elected to file with the District a corporate surety bond, then the corporate surety bond is in an initial amount of \$ _____, which is equal to the estimated highest daily balance of the District funds determined by the board of trustees of the District to be on deposit with the Depository during the term of this contract. The corporate surety bond is executed in the form and with the content prescribed by State Board of Education rule. A fully executed copy of the corporate surety bond is attached to and made a part of this contract by reference, provided further that:
- (1) the initial amount of the corporate surety bond may rise or fall from day to day so long as all deposits of the District are fully protected;
 - (2) the bond is made payable to the District and is signed by the Depository and the surety company authorized to do business in this state;
 - (3) the bond and the surety on the bond are approved by the board of trustees of the District;
 - (4) the bond exists under the condition that the Depository must:
 - (a) faithfully perform all duties and obligations required by law and this contract;
 - (b) pay on presentation all checks or drafts ordered according to law by the District's board of trustees;
 - (c) pay on demand any demand deposit in the Depository;
 - (d) pay any time deposit after the required notice period expires;
 - (e) faithfully keep school district funds and account for the funds according to law; and
 - (f) faithfully pay over to the successor depository all balances remaining in the account; and
 - (5) the District may not pay a premium on the depository bond out of school district funds.
- B. If the Depository did not elect to make the corporate surety bond in the amount and as referred to in A, above, then the Depository must either deposit or pledge with the District, or with a trustee designated by the District, approved securities as defined in the TEC, §45.201. The pledged or deposited securities must meet the following conditions:
- (1) The pledged securities must be approved securities and authorized by law and must be in a total market value sufficient to protect the funds of the District on deposit as directed at any time by the District in accordance with standards acceptable to the Texas Education Agency.
 - (2) The pledge of approved securities must be waived only to the extent of the exact dollar amount of Federal Deposit Insurance Corporation insurance protection for the District's funds on deposit with the Depository from day to day, and if the insurance protection ends, this contract must immediately become void except as provided in (4) below.
 - (3) The conditions of the pledge of approved securities required by this contract are that the Depository must:
 - (a) credit the account(s) of the District with the full amount of all State of Texas warrants presented to the Depository for the District's account no later than the next banking day after the day the Depository receives the warrants credit the account(s) of the District with the full amount of electronically transferred funds on the effective settlement date;
 - (b) faithfully perform all duties and obligations required by law and this contract;
 - (c) pay upon presentation all checks or drafts ordered according to law by the District's board of trustees;
 - (d) pay upon demand any demand deposit of the District in the Depository;
 - (e) pay any time deposit or certificate of deposit upon maturity or after the required notice period expires;
 - (f) faithfully keep school district funds and account for the funds according to law; and
 - (g) faithfully pay over to the successor depository all balances of funds remaining in the account.
 - (4) The pledge of approved securities required by this contract must continue until either this contract ends or the Depository fulfills all its duties and obligations arising out of this contract, whichever is later. And a continuing security interest in the District's favor must immediately apply to any pledge to all proceeds of sale and to all substitutions, replacements, and exchanges of the securities, and in no event may this continuing security interest be voided by any act of the Depository; however, the Depository will have the right, with the District's consent, to purchase and sell, and substitute or replace with other approved securities, any of the approved securities pledged under this contract, provided that the Depository adheres to all the other conditions of this contract, and the pledge is in addition to all other remedies available in law to the District.
 - (5) The Depository must immediately furnish or cause to be furnished to the District original and valid safekeeping or trust receipts issued by the custodian holding the approved securities pledged under this contract, marked on their face by the custodian to show the pledge and market value as required above, and the Depository must upon the District's request provide a description of securities being pledged and evidence that the securities are legally acceptable in accordance with (1) above.
 - (6) The District may examine and verify at any reasonable time a pledged investment security or a record that a custodian maintains in accordance with the Texas Government Code, §2257.061. The District or its agent may inspect at any time an investment security evidenced by trust receipt.
 - (7) Upon any closing or failure of the Depository, or any event considered by a state or federal regulatory agency to constitute a closing or failure of the Depository, title to all securities pledged under this depository contract must be considered to be vested in, and to be held by

the District. The District is empowered to take immediate possession of and to sell any such pledged securities, whether in safekeeping at another bank or in possession of the District or the Depository, and the District is specifically so empowered by execution of this contract.

- (8) The collateral pledge agreement must conform to Title 12 United States Code Annotated, §1823(e), so to defeat the claim of the Federal Deposit Insurance Corporation, its successor, or any other receiver to the securities, and be:
 - (a) in writing;
 - (b) executed by the Depository at the same time the asset is acquired;
 - (c) approved by the Depository's board of directors or loan committee, with the approval reflected in the board's or committee's minutes; and
 - (d) maintained continuously from the date of its execution as an official record of the Depository.

The Depository must furnish the minutes of the Depository's board of directors or loan committee to the District.

- C. If the Depository elects to give both a corporate surety bond and to pledge approved securities, the corporate surety bond and pledged approved securities must be in an aggregate amount that, together with applicable Federal Deposit Insurance Corporation insurance, will adequately protect the total amount of District funds on deposit with the Depository from day to day. The provisions of A, above, permitting the amount of the corporate surety bond to rise or fall from day to day, and all the provisions of B, above, relating to the amount and conditions of pledge of approved securities, including but not limited to substitution and conditions of pledge, apply to the election permitted by this paragraph C.
- D. The Depository agrees to cover by corporate surety bond, pledge of approved securities, or both an amount that is equal to funds anticipated to be on deposit from day to day, which is estimated not to exceed \$_____. The amount of collateral will be calculated in accordance with the Texas Government Code, Chapter 2257, Collateral for Public Funds Act.
- E. After the beginning date of this contract if the amount of deposit exceeds that which is initially covered by corporate surety bond, pledged approved securities, and FDIC insurance, the amount covered will be increased, and original and valid safekeeping or trust receipts of the additional securities, increased corporate surety bond, or both will be provided in accordance with the TEC and Texas Education Agency rules.

ATTACHMENT V
Text of 19 TAC

Figure: 19 TAC §109.52(d)

Page 1 of 5

Texas School Depository Surety Bond Form

Bond Number _____

I.
Guarantee

1. Under all the terms and conditions of this bond, _____ (referred to in this document as *the Surety Company*) and _____ (referred to in this document as *the Bank*) agree that:
 - a. the Bank will pay a premium to the Surety Company and
 - b. the Surety Company will guarantee the deposits in certain Designated Depository Accounts in the Bank, in excess of the \$250,000.00 deposit insurance provided by the Federal Deposit Insurance Corporation (FDIC).
2. The Surety Company must promptly reimburse the Owner(s) of a Designated Depository Account or Accounts (referred to in this document as *the Owner*) up to a limit of liability as specified in Section III of this bond if the Bank becomes insolvent and fails.
3. "Becomes insolvent and fails" means that either:
 - a. the Bank must be taken over by a regulatory authority, either state or federal, and ordered liquidated or
 - b. the FDIC must sell the Bank's deposits in such a manner that the FDIC refuses to sell or reimburse the deposits in excess of the \$250,000.00 deposit insurance.

II.
Designation of Account Owner and Depository Account(s)

Designated Owner of the Depository Account(s):

[_____ *Independent School District (ISD)*].

Address of the Owner:

Designated Depository Account Number(s):

[List Various Depository Accounts in the Name of _____ ISD]

**III.
Limit of Liability**

The Surety Company's total liability under this bond is [*written dollar amount \$XXXXXXXX*], which is the maximum guaranteed amount. Regardless of the number of Owners and the number of Designated Depository Accounts, the maximum amount of payment under this bond must not exceed [*\$XXXXXXXX*].

**IV.
Payment of Loss**

If the Bank should be declared insolvent and fail, the Surety Company must pay the Owner of the Designated Depository Account(s) for which this bond has been issued the amount that the receiver's certificate indicates to be uninsured by the FDIC. The amount of the payment is limited to the maximum guaranteed amount specified in Section III of this bond. This bond does not cover any indirect or consequential damages or loss. The Surety Company must pay the Owner promptly upon receiving assignment of the receiver's certificate from the Owner or upon demand.

**V.
Termination or Cancellation**

This bond becomes effective at 12:01 a.m. on [*date*] and remains in effect until terminated or canceled for any of the following reasons:

1. The Surety Company cancels the bond for nonpayment of the annual premium 15 days after notifying the Bank of the nonpayment and impending cancellation.
2. The Owner notifies the Surety Company in writing of the Owner's desire to cancel the bond, and the Surety Company cancels the bond immediately.
3. The Surety Company desires to cancel the bond for reasons allowed by the laws of Texas.
 - a. The Surety Company sends a written notice by facsimile transmission, hand delivery, or certified mail, return receipt requested to the Bank and to the Owner's address as shown on this bond. The notice is considered effective upon receipt by the parties to whom the notice is addressed.
 - b. The cancellation is effective 90 days after the notice is effective.
4. This bond is automatically terminated if all funds in the Designated Depository Account(s) listed in Section II of this bond are withdrawn, the account(s) are closed, or both.

If this bond is canceled or terminated, the Surety Company has no obligation to make any payment to any Owner.

VI.
Responsibility of the Bank

It is understood and agreed that this bond is for and on behalf of the Bank to enable the Bank to protect the Owner of its Designated Depository Account(s). All designations of accounts are the complete responsibility of the Bank. The Surety Company's liability to the Owner begins upon the declaration of insolvency and failure of the Bank, and not before that event. In addition, under the Texas Education Code, §45.208, the Surety Company and the Bank agree that the Bank must:

1. faithfully perform all duties and obligations required by law,
2. pay on presentation all checks or drafts ordered according to law by the district's board of trustees,
3. pay on demand any demand deposit in the Bank,
4. pay any time deposit of the school district after the required notice period expires,
5. faithfully keep the school district funds and account for the funds according to law, and
6. faithfully pay over to any successor depository all balances remaining in the accounts of the Bank.

VII.
Consolidation or Merger

This bond becomes void at 12:01 a.m. on the date the Bank consolidates with or merges into any other bank or financial institution. The Bank must notify the Surety Company and the Owner 90 days before any consolidation or merger of the Bank's intention to merge into another bank or financial institution. Any deposits in the Designated Depository Account(s) in excess of the \$250,000.00 FDIC deposit limit must be guaranteed by a new bond or other means as authorized by Texas law at the time of the consolidation or merger.

**VIII.
Sole Use and Benefit**

This bond is for the sole use and benefit of the Owner. This bond is nonnegotiable and may not be assigned under any circumstances by the Owner or any other person, entity, or holder. The Bank may not be considered an agent or representative of the Surety Company for any purpose in connection with this bond.

Signed, sealed, and dated this _____ day of _____, _____.

[Bank]
(Address)
(Phone)

[Surety Company]
(Address)
(Phone)

By _____

By _____

Title _____

Title _____

Acknowledgment

Acknowledged before me in _____ County, Texas, on _____, 20____, by _____, officer of the Bank named in the preceding document, for the Bank, and by _____, officer of the Surety Company named in the preceding document, for the Surety Company.

(SEAL)

Signature of Notary

Notary Public in and for _____
County, Texas
My Commission Expires _____

Surrender of Bond Form

By signature below of the Owner, the Owner gives notice to the Surety Company of the Owner's desire to cancel Bond Number _____ in its entirety.

By _____

Date _____

OR

Surrender of Bond for Reissuance Form

By signature below of the Owner, the Owner gives notice to the Surety Company of the Owner's desire to cancel Bond Number _____ in its entirety, on the condition that another similar bond is issued with the following listed Owner, Owner address, Designated Depository Account Number(s) and limit of liability:

Requested Designated Depository Account Owner:

Address of Requested Designated Owner:

Requested Designated Depository Account Number(s):

Requested Limit of Liability:

By _____

Date _____

**Proposed Repeal of 19 TAC Chapter 105, Foundation School Program, Subchapter A, Definitions,
§105.1, Rules for the Definition of Tax Levy and Tax Collection
(First Reading and Filing Authorization)**

April 15, 2021

**COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: ACTION
STATE BOARD OF EDUCATION: ACTION**

SUMMARY: This item presents for first reading and filing authorization the proposed repeal of 19 Texas Administrative Code (TAC) Chapter 105, Foundation School Program, Subchapter A, Definitions, §105.1, Rules for the Definition of Tax Levy and Tax Collection. The proposed repeal would implement House Bill (HB) 3, 86th Texas Legislature, 2019, which removed the State Board of Education's (SBOE's) rulemaking authority related to the definitions of tax levy and tax collection for the Foundation School Program (FSP).

STATUTORY AUTHORITY: Texas Education Code (TEC), §48.004, as transferred, redesignated, and amended by HB 3, 86th Texas Legislature, 2019.

TEC, §48.004, as transferred, redesignated, and amended by HB 3, 86th Texas Legislature, 2019, requires the commissioner to adopt rules, take actions, and require reports necessary to implement and administer the FSP.

The full text of statutory citation can be found in the statutory authority section of this agenda.

EFFECTIVE DATE: The proposed effective date of the proposed repeal is 20 days after filing as adopted with the Texas Register. Under TEC, §7.102(f), the SBOE must approve the rule action at second reading and final adoption by a vote of two-thirds of its members to specify an effective date earlier than the beginning of the 2021-2022 school year. The earlier effective date will implement legislation in a timely manner by removing provisions for which statutory authority no longer exists.

PREVIOUS BOARD ACTION: The SBOE adopted §105.1 effective September 1, 1996, and last amended the section effective October 15, 2017.

BACKGROUND INFORMATION AND JUSTIFICATION: Section 105.1 defines tax levy and tax collection for purposes of administering the FSP. The section was adopted effective September 1, 1996, under the authority of TEC, §42.004.

HB 3, 86th Texas Legislature, 2019, renumbered TEC, §42.004, to §48.004. The renumbered statute was amended to transfer rulemaking authority related to definition of tax levy and tax collection for the FSP from the SBOE to the commissioner of education. The repeal of the rule is necessary since statutory authority no longer exists.

The proposed rule action was not presented as a discussion item. The SBOE, however, may wish to consider this item for first reading and filing authorization as authorized under its operating procedures. Therefore, this item is presented for consideration for first reading and filing authorization at this meeting. It is recommended that the SBOE consider this item for first reading and filing authorization to ensure that provisions for which statutory authority no longer exists are removed from the TAC in a timely manner.

FISCAL IMPACT: The Texas Education Agency (TEA) has determined that there are no additional costs to state or local government required to comply with the proposal.

LOCAL EMPLOYMENT IMPACT: The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis specified in Texas Government Code, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

TAKINGS IMPACT ASSESSMENT: The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT: TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. The proposed rulemaking would repeal an existing regulation. Section 105.1 would be repealed to implement HB 3, 86th Texas Legislature, 2019, which removed the SBOE's rulemaking authority related to definition for tax levy and tax collection for the FSP.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not create a new regulation; would not expand or limit an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: The proposal would implement legislation by removing rules for which statutory authority no longer exists. There is no anticipated economic cost to persons who are required to comply with the proposal.

DATA AND REPORTING IMPACT: The proposal would have no data and reporting impact.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: The public comment period on the proposal begins May 14, 2021, and ends at 5:00 p.m. on June 18, 2021. The SBOE will take registered oral and written comments on the proposal at the appropriate committee meeting in June 2021 in accordance with the SBOE board operating policies and procedures. A request for a public hearing on the proposal submitted under the Administrative Procedure Act must be received by the commissioner of education not more than 14 calendar days after notice of the proposal has been published in the *Texas Register* on May 14, 2021.

MOTION TO BE CONSIDERED: 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 A, Definitions, §105.1, Rules for the Definition of Tax Levy and Tax Collection.

Staff Members Responsible:

Leo Lopez, Associate Commissioner, School Finance
Amy Copeland, Director, State Funding

Attachment:

Text of Proposed Repeal of 19 TAC Chapter 105, Foundation School Program, Subchapter A, Definitions, §105.1, Rules for the Definition of Tax Levy and Tax Collection

ATTACHMENT
Text of Proposed Repeal of 19 TAC

Chapter 105. Foundation School Program

Subchapter A. Definitions

§105.1. Rules for the Definition of Tax Levy and Tax Collection.

- ~~(a) General provisions. For the purpose of determining state aid under the Texas Education Code, Chapter 42 and Chapter 46, and in implementing the wealth equalizing provisions of the Texas Education Code, Chapter 41, calculations that include tax collections as a data element shall reference subsection (b) of this section.~~
- ~~(b) Definitions. The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:~~
- ~~(1) Total levy. The sum of the maintenance and operation and debt service levies generated by applying a district's adopted tax rates to its locally assessed valuation of property for the current tax year.~~
- ~~(2) Tax collection.~~
- ~~(A) For districts with a fiscal year that begins on July 1, total taxes collected between July 1 and June 30 for the current and all prior years' levies.~~
- ~~(B) For districts with a fiscal year that begins on September 1, total taxes collected between September 1 and August 31 for the current and all prior years' levies.~~
- ~~(C) For a district that has been awarded a property value adjustment for a major taxpayer protest pursuant to Texas Education Code, §42.2531, the district may petition the commissioner to attribute taxes that had been withheld due to the protest of valuation to the year in which the taxes were originally levied.~~
- ~~(3) Types of tax collections:~~
- ~~(A) Maintenance and operations taxes are those taxes collected during the fiscal year that are associated with the levy of local maintenance and operations tax rates, including current and delinquent taxes and any delinquent taxes related to former county education districts, but not including penalties and interest that accrue on delinquent maintenance and operations tax levies or the tax credits authorized by the Texas Tax Code, Chapter 313.~~
- ~~(B) Interest and sinking fund taxes are those associated with the levy of local interest and sinking fund taxes, not including penalties and interest that accrue on delinquent interest and sinking funds tax levies.]~~

**Report by the State Auditor’s Office on the Audit of the Permanent School Fund’s
Financial Statements and Certification of the Bond Guarantee Program for the Fiscal Year
Ending August 31, 2020**

April 15, 2021

**COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: DISCUSSION
STATE BOARD OF EDUCATION: NO ACTION**

SUMMARY: This item provides an opportunity for representatives of the State Auditor’s Office (SAO) to make a presentation regarding the Audit of the Permanent School Fund’s Financial Statements and the certification of the Bond Guarantee Program for the Fiscal Year Ending August 31, 2020.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#); Texas Education Code (TEC) [§45.053\(b\)](#).

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

TEC, §45.053(b) requires the SAO to analyze the status of guaranteed bonds and certify that the amount of such bonds is within limits prescribed by law.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: Texas Education Code (TEC), §45.053, states, “Each year, the state auditor shall analyze the status of guaranteed bonds as compared to the cost value of the permanent school fund. Based on that analysis, the state auditor shall certify whether the amount of bonds guaranteed is within the limit prescribed by this section.”

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

Review of Permanent School Fund Securities Transactions and the Investment Portfolio

April 15, 2021

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: DISCUSSION STATE BOARD OF EDUCATION: NO ACTION

SUMMARY: Investment staff will report on the transactions executed during the months of December 2020, January 2021, and February 2021 in the investment portfolio of the Texas Permanent School Fund.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#), and 19 Texas Administrative Code (TAC) Chapter 33.

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

Administrative rules found in 19 TAC Chapter 33 provide a statement of investment objectives, policies, and guidelines of the Texas Permanent School Fund and Bond Guarantee Program as adopted by the SBOE.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: Specific actions that the committee must accomplish are found in 19 TAC Chapter 33, [Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund](#).

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

**Ratification of the Purchases and Sales of the Investment Portfolio of the Permanent School Fund
for the Months of December 2020, January 2021, and February 2021**

April 16, 2021

**COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: ACTION
STATE BOARD OF EDUCATION: CONSENT**

SUMMARY: This item provides an opportunity for the committee and board to consider approval of the purchases and sales of investments executed in the portfolio of the Permanent School Fund (PSF) for the months of December 2020, January 2021, and February 2021.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#), and 19 Texas Administrative Code (TAC) Chapter 33.

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

Administrative rules found in 19 TAC Chapter 33 provide a statement of investment objectives, policies, and guidelines of the Texas PSF and Bond Guarantee Program as adopted by the SBOE.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: At the January 2021 meeting, the board approved purchases in the amount of \$1,185,799,475 and sales in the amount of \$1,135,739,201 conducted in the investment portfolio of the PSF for the months of October and November 2020.

BACKGROUND INFORMATION AND JUSTIFICATION: The purchases and sales of the investment portfolio are reviewed by the staff to ensure compliance with the Investment Guidelines, Policies, and Objectives of the PSF. The specific amounts of the purchases and sales for the reporting period will be recommended to the board for ratification upon approval by the Committee on School Finance/Permanent School Fund.

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

Report on the Permanent School Fund Liquid Account

April 16, 2021

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: ACTION STATE BOARD OF EDUCATION: CONSENT

SUMMARY: This item provides an opportunity for the committee and board to receive a status update report on the liquid account and ratify transactions.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#); Texas Natural Resources Code ([NRC](#)), [§51.414](#); and 19 Texas Administrative Code (TAC), Chapter 33.

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

NRC, §51.414, created the Liquid Account within the Permanent School Fund to be managed by the SBOE.

19 TAC Chapter 33 codifies administrative rules that provide a statement of investment objectives, policies, and guidelines of the Texas Permanent School Fund and Bond Guarantee Program as adopted by the SBOE.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: At the January 2021 meeting, the board approved purchases in the amount of \$368,409,028 and sales in the amount of \$335,445,845 for the Permanent School Fund Liquid Account for the period October 1, 2020 through November 30, 2020.

BACKGROUND INFORMATION AND JUSTIFICATION: None.

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

Adoption of an Annual Report on the Status of the Bond Guarantee Program

April 16, 2021

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: ACTION STATE BOARD OF EDUCATION: CONSENT

SUMMARY: This item provides an opportunity for the committee and board to adopt an annual report on the status of the Bond Guarantee Program.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#); Texas Education Code (TEC) [§45.053\(c\)](#).

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

TEC, §45.053(c) requires the SBOE to adopt an annual report on the status of the guaranteed bond program.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: Texas Education Code (TEC), §45.053(c), states, “The commissioner shall prepare, and the board shall adopt an annual report on the status of the guaranteed bond program.”

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

Fourth Quarter 2020 Permanent School Fund Performance Report

April 15, 2021

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: DISCUSSION STATE BOARD OF EDUCATION: NO ACTION

SUMMARY: The performance measurement consultant to the Permanent School Fund (PSF), BNY Mellon Asset Servicing, will report on the investment performance during the fourth calendar quarter 2020 and cumulative investment performance of the various portfolios of the PSF. This item provides the opportunity for the committee to discuss in depth various issues related to portfolio management such as risk characteristics of portfolios and portfolio attributes.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#); 19 Texas Administrative Code (TAC), Chapter 33.

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

Administrative rules found in 19 TAC Chapter 33 provide a statement of investment objectives, policies, and guidelines of the Texas Permanent School Fund and Bond Guarantee Program as adopted by the SBOE.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: An in-depth performance review at the committee level is intended to allow committee members to review not only total return information for each managed portfolio, but to gain a more thorough understanding of the risk characteristics, portfolio attributes, and portfolio structures of each portfolio that all contribute to return.

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

Review of the Core Fixed Income Asset Class for the Permanent School Fund

April 15, 2021

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: DISCUSSION STATE BOARD OF EDUCATION: NO ACTION

SUMMARY: This item provides an opportunity for the committee to review the core fixed income asset class of the Permanent School Fund (PSF).

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#); 19 Texas Administrative Code (TAC), Chapter 33.

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

Administrative rules found in 19 TAC Chapter 33 provide a statement of investment objectives, policies, and guidelines of the Texas PSF and Bond Guarantee Program as adopted by the SBOE.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: At the June 2020 meeting, the board approved the PSF Long-Term Strategic Asset Allocation Plan with an allocation of 12% to the core fixed income return asset class.

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

Approval of the Selection of a Firm(s) to Provide Investment Management Services for a Private Equity Emerging Manager Program and a Private Real Estate Emerging Manager Program for the Texas Permanent School Fund and the State Board of Education as outlined in Request for Proposal 701-21-001 and Authorization for Contract Execution by the Commissioner of Education

April 16, 2021

**COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: ACTION
STATE BOARD OF EDUCATION: CONSENT**

SUMMARY: This item provides an opportunity for the committee and board to approve the selection of a firm(s) to provide investment management for a private equity emerging manager program and a private real estate emerging manager program for the Texas Permanent School Fund and the State Board of Education (SBOE) as outlined in request for proposal (RFP) 701-21-001 and authorization for contract execution by the Commissioner of Education.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#); and Texas Administrative Code (TAC), Chapter 33.

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

19 TAC Chapter 33 codifies administrative rules that provide a statement of investment objectives, policies, and guidelines of the Texas Permanent School Fund and Bond Guarantee Program as adopted by the SBOE.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: At the September 2020 meeting, the committee authorized the issuance of the RFPs for investment management services for a private equity emerging manager program and a private real estate emerging manager program.

BACKGROUND INFORMATION AND JUSTIFICATION: The RFP was posted on September 15, 2020 and responses were due on November 12, 2020.

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

Review the Processes That Consider Board Member Nominees for State Board Positions

April 16, 2021

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: ACTION STATE BOARD OF EDUCATION: CONSENT

SUMMARY: This item provides an opportunity for the committee and board to review the processes that consider board member nominees for state board positions.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#), and 19 Texas Administrative Code (TAC) Chapter 33.

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

Administrative rules found in 19 TAC Chapter 33 provide a statement of investment objectives, policies, and guidelines of the Texas Permanent School Fund and Bond Guarantee Program as adopted by the SBOE.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: None

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

**Report of the Permanent School Fund Executive Administrator and
Chief Investment Officer**

April 15, 2021

**COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND: DISCUSSION
STATE BOARD OF EDUCATION: NO ACTION**

SUMMARY: The Permanent School Fund (PSF) executive administrator will report to the committee on matters relating to the management of the PSF and the Charter District Reserve Fund. The report may present information on historical and current status of Fund holdings, current and proposed investment policies and procedures, and historical and current Fund performance and compliance. The administrator may update the board on the bond guarantee program, the status of requests for proposal, or for qualifications and current contracts for services and other administrative activities undertaken on behalf of the board. The administrator may provide an update on the PSF distribution or on the effect of legislation impacting the PSF. The administrator may provide an analysis of current and future investment market conditions, focusing upon the impact on the holdings of the PSF.

STATUTORY AUTHORITY: Texas Constitution, [Article VII, §2](#) and [§5](#), and 19 Texas Administrative Code (TAC) Chapter 33.

The Texas Constitution, Article VII, §2 and §5 establish the permanent school fund, the assets that comprise the permanent school fund, the bond guarantee program, the available school fund, and authorize the State Board of Education (SBOE) to manage and invest the permanent school fund in accordance with the prudent person standard.

Administrative rules found in 19 TAC Chapter 33 provide a statement of investment objectives, policies, and guidelines of the Texas PSF and Bond Guarantee Program as adopted by the SBOE.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: None

Staff Member Responsible:

Holland Timmins, Executive Administrator and Chief Investment Officer, Texas Permanent School Fund

COMMITTEE ON SCHOOL INITIATIVES

**Recommendation for Reappointments to the
Randolph Field Independent School District Board of Trustees**

April 16, 2021

**COMMITTEE ON SCHOOL INITIATIVES: ACTION
STATE BOARD OF EDUCATION: CONSENT**

SUMMARY: This item provides an opportunity for the board to consider two reappointments to the board of trustees of Randolph Field Independent School District (ISD). The reappointments are necessary due to the expiration of the terms of office for two board members.

STATUTORY AUTHORITY: Texas Education Code (TEC), §11.352, and 19 Texas Administrative Code (TAC) §61.2.

TEC, §11.352 authorizes the State Board of Education (SBOE) to appoint school board members in special purpose school districts.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: The SBOE is statutorily authorized to appoint board members for military reservation ISDs. Trustees so appointed shall hold office for two years and until their successors are appointed and qualified. Enlisted military personnel may be appointed to the board; however, a majority must be civilians, and all may be civilians. When a vacancy occurs on one of these boards, the base commander notifies the commissioner of education of such in compliance with TEC, §11.352. Vacancies are widely advertised through base newspapers, email, and other electronic means. Interested individuals then submit resumes and other documents verifying that they qualify to hold the position and would accept it if appointed.

The commanding officer appoints a nomination panel of at least three members who review the application packages, interview, and evaluate the candidates. The panel's recommendations are then forwarded to the commanding officer for consideration. The commanding officer is required by 19 TAC §61.2 to provide at least one nomination to the SBOE. All nominees must be qualified under the general school laws of Texas and live or be employed on the military reservation.

Colonel, United States Air Force, James H. Masoner, Commander of the 502d Security Forces Group, has notified the commissioner that the terms of two current trustees of the Randolph Field ISD are expiring. Colonel Masoner recommends the reappointment of Mr. Patrick Luna and Lieutenant Colonel Peter Duffy to the Randolph Field Independent School District Board of Trustees.

MOTION TO BE CONSIDERED: The State Board of Education:

Based on Colonel James H. Masoner's recommendation, approve the reappointments of Mr. Patrick Luna and Lieutenant Colonel Peter Duffy to serve terms of office from April 16, 2021 through April 16, 2023, on the Randolph Field ISD Board of Trustees.

Staff Members Responsible:

Christopher Lucas, Director, Policy, Planning, and Operations, Governance and Accountability

Morris Lyon, Senior Governance Advisor, Governance and Accountability

Attachment:

Correspondence from Colonel James H. Masoner that includes biographical information and supporting materials for each nominee



DEPARTMENT OF THE AIR FORCE
502D AIR BASE WING
JOINT BASE SAN ANTONIO



23 Feb 21

MEMORANDUM FOR MR. MIKE MORATH
COMMISSIONER, TEXAS EDUCATION AGENCY
1701 NORTH CONGRESS AVENUE
AUSTIN, TX 78701

FROM: 502 SFG/CC
1 Washington Circle, Suite 2
JBSA-Randolph, TX 78150-4560

SUBJECT: Reappointment of Mr. Patrick Luna and Mr. Peter Duffy to the Randolph Field Independent School District (RFISD) Board of Trustees

1. I respectfully request the reappointment of Mr. Patrick Luna and Mr. Peter Duffy to the RFISD Board of Trustees. Attached are their resumes, as required by Texas Administrative Code Section 61.2a(1), along with a signed statement expressing their willingness to accept the appointment and serve in full adherence to the established state standards for school board members.
2. Each nominee is qualified under the general school laws of Texas and either live or work on JBSA-Randolph. Each nominee is well qualified and the appointment of both of them would be in full compliance with the provisions of the Texas Education Code 11.352. Every avenue was used to reach the widest possible applicant pool. The membership composition of the board of trustees is in compliance with the provisions of Texas Code 11.28.
3. I recognize the power of the Board of Trustees to govern and manage the operations of the RFISD and that my role as the executive agent of JBSA-Randolph is limited only to the duty defined by statute in the process for appointing the Board of Trustees.
4. Thank you and your staff for your support of our school district. If you have any questions, please contact my POC, Ms. Angela Green at (210) 652-3081.

Digitally signed by
MASONER.JAMES MASONER.JAMES.H.JR.1131955
.H.JR.1131955983 98
Date: 2021.02.23 07:39:04
-06'00'
JAMES H. MASONER, Colonel, USAF
Commander, 502d Security Forces Group

- 2 Attachments:
1. Mr. Patrick Luna - Resume
 2. Mr. Peter Duffy - Resume

PATRICK T. LUNA
 3303 Ashley Way, Marion TX 78124
 210.652.7040 (Work) • (210) 268-2036 (Cell) • patricktluna@gmail.com

Executive Agent

37 years successful experience providing fiscal, strategic, and operational leadership

Dynamic, results-oriented leader with a strong track record of successful performance in unique and demanding positions utilizing keen analysis, insight and team approach to drive improvements and implementation of best practices to meet establish goals and objectives. Skilled advisor on Security Assistance advancing US policy in the Middle East. Additional areas of expertise include:

- Strategy, Vision & Mission Planning
- Public Relations & Media Affairs
- Contract Negotiations & Strategic Alliances
- Team Building & Performance Improvement
- Finance, Budgeting & Cost Management
- Policy & Procedure Development
- Government Regulations & Relations
- Sales & Marketing Leadership

PROFESSIONAL EXPERIENCE

Executive Agent, Foreign Military Sales (FMS) 2011 – Present
Headquarters Air Education and Training Command (HQ AETC)/International Affairs
(IA)/Air Force Security Assistance & Training (AFSAT)
JBSA Randolph TX

- Manage international agreements by interfacing with/advising key officials in the State Department, Defense Security Cooperation Agency, Air Force Secretariat, Major Commands, Joint Staffs and Embassy Security Cooperation Offices requiring professional knowledge of the formulation and direction of foreign affairs that support US national security objectives.
- Manage multiple FMS programs developing/implementing over \$3B in programs to support the acquisition of complex major weapon systems executed under the auspice of the US Department of State; delivered education/training to over 5K international students.
- Advisory to Unit's 50+ F-16 Program/Country Managers; review/comment on Letter of Offer and Acceptance (LOA) verbiage, identified key components for definitization/clarification enabling effective training programs; mentor personnel through Management Reviews with Secretary of Air Force International Affairs (SAF/IA) and Foreign Partners focusing on training capabilities and responsibilities in relation to Security Assistance activities.
- Croatian Air Force (CAF) Training Needs Assessment team lead; identified training programs, contract support, goals, and objectives to train 87 CAF techs (73% reduction) to maintain 8-12 F-16s based on LOA; briefed utilization of in-country contractor maintenance training (40% cost reduction), establish organic F-16 training capability soonest (force multiplier), and adapt USAF flight and maintenance training procedures (standardization); training program now within USG and CAF Security Assistance goals!
- Country Management team of "first" within Department of Defense (DoD); Coronavirus (COVID-19) halted international training; first to identify "hold status codes" for Department of Security Cooperation Agency (DSCA), first to resume training following coordination with DoD/Center for Disease Control (CDC)/Royal Saudi Air Force (RSAF) guidelines, first in

Defense Language Institute English Learning Center (DLIELC) history to conduct virtual training, and first to establish return travel for International Military Students; result, 60% of allocated training saved.

- RSAF training stopped due to 06Dec2019 event; Crisis Management Team lead responsible with student accountability, tracking, and reporting to DoD, Federal agencies, and Saudi Arabia; established communication guidelines in/out of the Unit, ordered physical student accountability, and projected impacts on training following safety and security regulations, practices, and procedures; within 2-hrs had full control of info flow, within 4-hrs 100% physical accountability of 250+ students, and within 72-hrs a 30 to 180 day rolling training impact forecast; appraisal of team efforts netted SAF/IA visit and Quarterly Team Award
- Directed a financial “full stop”; annual FMS case reconciliation faulty; analyzed, planned and held meeting with organizational segments and contracting officers to identify financial pitfalls and implement hard fixes to meet program requirements/objectives; developed and implemented consolidated strategic plan with DSCA, Defense Finance Accounting Services (DFAS), trained Unit financial/case managers, and contracting officers briefed; result, unearth FMS Contractor Administration Surcharge (CAS) error recovering \$24M, deobligated \$100M in unobligated funds sitting on “completed” contracts awaiting closeout, and resolved a \$12M medical funding gap all within available resources.

RELATIVE EXPERIENCE

Board of Trustees

2012 – Present

Randolph Field Independent School District, JBSA Randolph TX

- Team actions enabled District to face challenges head on while ensuring the right resources, personnel and funds were available to meet set objectives. Tackled challenges upfront; revamped District transfer policy, introduced middle school athletics/booster club, advanced technology in the classroom, constructed and upgraded facilities, increased teacher/staff to meet increased enrollment; result, District ranked #1 in San Antonio area and Top 100 in Texas constantly.
- Increase student patriotism/moral; key supporter/initiator of such new programs as the JROTC, middle school athletics, middle school pep squad and other extracurricular programs.
- Obtained over 110 hours of Trustee continued education and training and in 2012 selected from over 2,500 applicants for the Texas Association School Board Leadership Development Program.
- Encouraged and worked with Board and Superintendent to develop, long range strategic plans; specifically focused on facility management; new high school, renovated middle school, and new construction of elementary campus; school of choice for parents, enrollment up 30%.
- Responsive/responsible leadership; Coronavirus (COVID-19) halted in-person learning; filled immediate need of electronic devices to ensure 100% at home learning, established district employee time-off guidelines with pay, and approved online learning technique all before State/Federal funding available; Board efforts key to staff/student moral...one family approach

Board of Trustees

2002-2004

Geilenkirchen NATO AB Germany

- Advocated for growth and financial support; Department of Defense Schools (DoDS) replaced aging heating system, new playground equipment donated/repaired by sponsors, increased cultural emersion field trips and school activities.

Parent Teacher Student Organization

2001-2002

Geilenkirchen NATO AB Germany

- Supported school through various fund raisers and events; raised over \$3,000 during fund drive to fund annual Spring Festival; hosted base wide "American Day" event exposing base nationals to US carnival theme, all base organizations raised funds.

Substitute Teacher

1994

Hallettsville Independent School District, Hallettsville TX

- Instructed math and sciences at middle and high school utilizing traditional course materials

Teaching Assistant/Student Teacher

1993

University of Nevada, Las Vegas NV

- Undergraduate Teaching Assistant for Political Science; mentored/instructed/evaluated by Professor; conducted administrative functions, administered exams, and lectured as needed.
- Student teacher for math and electronics at Las Vegas Vocational High School providing students with hard skills for immediate employment upon graduation.

EDUCATION

Webster University, St Louis MO, Masters Public Administration, 01 Jan 1999

University of Nevada, Las Vegas NV, Bachelors Education, 01 Jan 1995

Community College of The Air Force, Montgomery AL, Associates Military Systems and Maintenance Technology, 01 Jan 1995

Community College of The Air Force, Montgomery AL, Associates Avionics Maintenance Technology, 01 Jan 1992

PROFESSIONAL MILITARY EDUCATION

Air Command and Staff College (Correspondence), 2009

United States Marine Corps Expeditionary Warfare School (Correspondence), 2007

Squadron Officer School (Resident), 2005

Squadron Officer School (Correspondence), 2004

Air Force Aerospace Basic (Resident), 2000

Joint Base San Antonio Statement of Eligibility



Applicant Full Name: Patrick T. Luna

Residential Address: 3303 Ashleys Way
Marion TX 78124

Physical Address of Employer: AFSAT/MSR
100 H Street, Suite 5, Bldg 857
JBSA Randolph TX 78150-4349

Board of Trustees Location Applying For: Randolph Field ISD

I hereby make a formal application for the above indicated Board of Trustees. In doing so, I confirm that:

- I am qualified under the general school laws of Texas and live or am employed on JBSA.
- I attest the contents of my resume.
- I am a qualified voter.
- I willingly accept the appointment to the Board of Trustees and will serve in this capacity with full adherence to the state established standards on the duties and responsibilities of school board members.

LUNA.PATRICK Digitally signed by
LUNA.PATRICK.T.1126064566
.T.1126064566 Date: 2021.01.22 08:39:52
-06'00'

Signature of Applicant

22Jan2021

Date

Patrick T. Luna

Printed Name of Applicant

***Digital Signatures are authorized. If using a wet signature, please sign, date and print legibly.
Form must be completed prior to setting up your interview with the selection board.***



BIOGRAPHY

UNITED STATES AIR FORCE

LIEUTENANT COLONEL PETER J. DUFFY

Lieutenant Colonel Peter J. Duffy is the former commander of the 12th Training Squadron...the Greenhorns. He leads over 1000 students annually as they complete Undergraduate RPA, Basic Sensor Operator, and Pilot Instructor training. Previously he served as the Director of Staff, 12th Flying Training Wing, Joint Base San Antonio-Randolph.

Lt Col Duffy entered the Air Force in May 2000 as a ROTC graduate from Arizona State University. He graduated from Joint Specialized Undergraduate Navigator Training at Naval Air Station Pensacola, and went on to fly the F-15E as a Weapons Systems Officer in the 494th Fighter Squadron, Royal Air Force Lakenheath England. Lt Col Duffy earned his pilot wings at Undergraduate Pilot Training at Columbus AFB, Mississippi. He went on to the F-15C where he served as a mission commander, safety officer, and flight commander in the 58th Fighter Squadron, Eglin AFB, Florida. Lt Col Duffy served as flight commander and Operations Group Standardization and Evaluation Branch Chief for the 88th Fighter Training Squadron in Wichita Falls, Texas. He then went to Air Command and Staff College at Maxwell AFB, Alabama before he moved on to serve as lead programmer on the Air Superiority Core Function Team, Air Combat Command, Langley AFB, Virginia. He then served as the 435th Fighter Training Squadron Director of Operations.



Lt Col Duffy is a senior pilot with more than 2,500 flying hours and has flown combat missions in support of OPERATIONS IRAQI FREEDOM and ENDURING FREEDOM as well as homeland defense missions in support of OPERATION NOBLE EAGLE. During his most recent year-long deployment, Lt Col Duffy served as the Senior Duty Officer for the Air Defense Liaison Team for the country of Kuwait.

Lt Col Duffy grew up a military child whose primary home was in San Antonio, Texas, where he graduated from Randolph High School in 1995. He is married to the former Miss Misha Watson of Dothan, Alabama, and they have one son and one daughter.

EDUCATION

- 2000 Bachelor of Science degree, Arizona State University, Tempe, Ariz.
- 2006 Squadron Officer School, Maxwell AFB, Ala.
- 2007 Aviation Safety Program Management Course, Kirtland AFB, N.M.
- 2008 Masters of Political Science and International Relations, Oklahoma University, Okla.
- 2013 Masters of Military Art/Operational Science, Air Command and Staff College, Maxwell AFB, Ala.
- 2016 Air War College (Correspondence), Maxwell AFB, Ala.

ASSIGNMENTS

1. July 2000 – January 2002, student, undergraduate navigator training, NAS Pensacola, Florida.
2. February 2002 – October 2002, student, F-15E FTU, Seymour Johnson AFB, NC.
3. November 2002 – July 2004, F-15E WSO, msn planning officer, Lakenheath AB, UK.
4. August 2004 – November 2005, student, undergraduate pilot training, Columbus AFB, Miss.
5. December 2005 – April 2006, student, F-15C FTU, Tyndall AFB, Florida

6. May 2006 – February 2009, F-15C acft cc, Chief of Sqdn Safety, Flight Commander, Eglin AFB, Florida.
7. March 2009 – July 2012, T-38 IFF evaluator/instructor, stan/eval branch chief, flight commander, chief of scheduling, Sheppard AFB, Texas.
8. July 2012 – June 2013, student, Air Command and Staff College, Maxwell AFB, Ala.
9. July 2013 – October 2014, Chief Programmer, Air Superiority Core Function Team, Air Combat Command, JB Langley-Eustis, Va.
10. November 2014 – December 2015, Kuwait Senior Duty Officer, AFCENT, Kuwait City, Kuwait.
11. January 2016 – February 2016, Chief Programmer, Air Superiority Core Function Team, Air Combat Command, JB Langley-Eustis, Va.
12. March 2016 – May 2019, T-38 IFF Evaluator/Instructor, wing director of staff, Director of Operations 435th FTS, JB San Antonio-Randolph, Texas
13. May 2019 – November 2020, Commander, 12th Training Squadron, JB San Antonio-Randolph, Texas
14. Feb 2021-Present, T-38 IFF Civilian Pilot, 435th Fighter Training Squadron, JB San Antonio-Randolph, Texas

FLIGHT INFORMATION

Rating: Senior pilot

Flight hours: more than 2,500

Aircraft flown: F-15C, F-15E, T-38, and T-37

MAJOR AWARDS AND DECORATIONS

Meritorious Service Medal with three oak leaf cluster

Air Medal

Air Force Commendation Medal

Army Commendation Medal

EFFECTIVE DATES OF PROMOTION

Second Lieutenant, 10 June 2000

First Lieutenant, 10 June 2002

Captain, 10 June 2004

Major, 1 May 2010

Lieutenant Colonel, 1 September 2015

(Current as of Feb 2021)



Joint Base San Antonio Statement of Eligibility

Applicant Full Name: Peter John Duffy

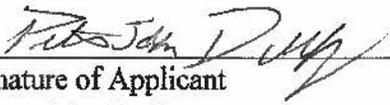
Residential Address: 11904 TRAIL HOLLOW
SCHERTLZ, TX 78154

Physical Address of Employer: 1150 5th Street East
JBSA-RANDOLPH, TX 78150

Board of Trustees Location Applying For: Randolph Field ISD

I hereby make a formal application for the above indicated Board of Trustees. In doing so, I confirm that:

- I am qualified under the general school laws of Texas and live or am employed on JBSA.
- I attest the contents of my resume.
- I am a qualified voter.
- I willingly accept the appointment to the Board of Trustees and will serve in this capacity with full adherence to the state established standards on the duties and responsibilities of school board members.



Signature of Applicant
Peter John Duffy

27 January 2021

Date

Printed Name of Applicant

Digital Signatures are authorized. If using a wet signature, please sign, date and print legibly. Form must be completed prior to setting up your interview with the selection board.

RFISD SCHOOL BOARD TRUSTEE APPLICATION

1. Personal Data

- a. Name/rank: **Peter J. Duffy/Lt Col O-5/transitioning to GS-13**
- b. Address: **11904 Trail Hollow, Schertz, TX 78154**
- c. Phone: **Work (210) 565-7101; Cell (662) 352-4328**
- d. If military, date assigned to Randolph AFB: **Mar 2016-Present. TAFMSD: 20.5 years**
- e. Qualification: **Military active duty/transitioning to civilian instructor pilot, 435th FTS, JBASA-RND: Lt Col Ret., GS-13/Date: 19 Feb 2021-Current.**
- f. Children in RFISD: **Since Mar 16 my son, Aiden Duffy, has been enrolled in RFISD and is currently a 8th grade middle-schooler at RMS. He was active in Spanish club, Heart foundation and middle school football and basketball trainer and assistant coach. Since Aug 17-present my youngest daughter, Emma Duffy, has been enrolled in RES and is currently a 3rd grader.**

2. Status

a. Education: **Bachelors of Science in Geography; Masters of Political Science and International Relations; Masters of Military Art/Operational Science**

b. Professional or personal experience that would be an asset to you as a school board trustee:
I am a Randolph High School graduate, class of '95. I attended RES, RMS, and RHS, so am well versed in the outstanding education RFISD provides. I was a student council member as a student as well as a multi-sport athlete including football, baseball, basketball, and tennis. I was humbled and privileged to have been inducted into the Ro-Hawk Hall of Fame. Twenty-one years after graduating and leaving for college, fate brought me back to Randolph AFB as part of my military career. I knew from the instant I was notified of the assignment that I wanted my kids to go to school there so they would be afforded all the wonderful opportunities I was lucky enough to have had. The opportunity to help ensure Randolph stays at the pinnacle of education is my motivation to apply for School Board membership.

In my career experiences, I have been the director in charge of operations for a fighter squadron consisting of over 50 members as well as 50+ aircraft. I have had to work under pressure flying in combat operations in Operations Iraqi Freedom and Operation Enduring Freedom. I was a liaison embedded with the US Embassy to a Gulf Partner nation during the most recent Operation Inherent Resolve helping to fight against ISIS. I served as the 12th Flying Training Wing Director of Staff and directly supervised over 20 personnel as well as oversaw the day to day activities and requirement of a Wing consisting of over 1500 personnel, spanning across four different geographic locations from Colorado to Florida. My last military assignment was as the Commander of the 12th Training

Squadron, overseeing over 7,000 personnel spanning from west to east coast. The 12 TRS was the only undergraduate and graduate combined flying training squadron with administrative control over flying training pipelines inclusive of navigators, remotely piloted aircraft pilots and sensor operators, pilot instructor trainees and fighter candidate trainees, as well as international partner students.

As an alumni, I enjoy taking my family to Ro-Hawk events when the opportunity presents itself. My family and I attend First Baptist Church Universal City where we actively participate in a Life Group class. Much of my life has revolved around RFISD and RAFB both personally and professionally and believe I could be a beneficial member to the team if selected to be a School Board Trustee of RFISD.

3. Supervisor/reference:

a. Name/rank: **Rene Carrillo, Lt Col**

b. Address: **1150 5th Street East
JBSA-Randolph TX 78150**

c. Phone: **(210) 565-0435**

4. Why do you want to serve as a school board member? **To continue to help make RFISD the best possible district it can be. Quality education for the children is the driving motivational factor for all of this. Over the years RFISD has set a very high educational and moral standard. I want to help continue this noble tradition. Our children have been in five different school districts in three states. With the experiences I've gained with the Air Force and the different schools our children have encountered, I feel I can bring a wide variety of experience and knowledge to the table. We live behind the base. This is our home and as such I will be a stable member. I attended the school in the 1990s with positive results and I believe I can do the same if I'm selected to be a school board member of RFISD.**

5. **My Biography is attached for the 502d Security and Readiness Group Commander.**

Proposed New 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District
(Second Reading and Final Adoption)

April 16, 2021

COMMITTEE ON SCHOOL INITIATIVES: ACTION
STATE BOARD OF EDUCATION: ACTION

SUMMARY: This item presents for second reading and final adoption proposed new 19 Texas Administrative Code (TAC) Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District. The proposed new rule would identify provisions of the Texas Education Code (TEC) that are not applicable to Boys Ranch Independent School District. No changes are recommended since approved for first reading.

STATUTORY AUTHORITY: Texas Education Code (TEC), §11.351 and §11.352.

TEC, §11.351, permits the State Board of Education (SBOE) to establish a special-purpose school district for the education of students in special situations whose educational needs are not adequately met by regular school districts. The board is also permitted to impose duties or limitations on the school district as necessary for the special purpose of the district.

TEC, §11.352, permits the SBOE to adopt rules for the governance of a special-purpose district.

The full text of statutory citations can be found in the statutory authority section of this agenda.

EFFECTIVE DATE: The proposed effective date of the proposed new section is 20 days after filing as adopted with the Texas Register. Under TEC, §7.102(f), the SBOE must approve the rule action at second reading and final adoption by a vote of two-thirds of its members to specify an effective date earlier than the beginning of the 2021-2022 school year. The earlier effective date would allow Boys Ranch Independent School District to begin planning for implementation before the beginning of the 2021-2022 school year.

PREVIOUS BOARD ACTION: A discussion item regarding the special-purpose district was presented to the committee at its November 2020 meeting.

At its January 2021 meeting, the SBOE approved proposed new §61.111 for first reading and filing authorization.

BACKGROUND INFORMATION AND JUSTIFICATION: TEC, §11.352, permits the SBOE to adopt rules for the governance of a special purpose district.

Boys Ranch Independent School District is a special purpose school district operated by Cal Farley's Boys Ranch. It is a public school of this state fulfilling the mission of the Texas public education system to ensure that Texas students receive a quality education that enables them to achieve their potential and fully participate now and in the future in the social, economic, and educational opportunities of our state and nation.

Boys Ranch Independent School District has requested that the SBOE waive specific provisions of the TEC related to district governance and operation.

The attachment to this item presents the text of proposed new §61.111 for consideration by the SBOE for second reading and final adoption. The proposed new section would establish the section's applicability only to Boys Ranch Independent School District and identify the provisions of the TEC that would not apply to the special purpose school district.

No changes are recommended since approved for first reading.

FISCAL IMPACT: No changes have been made to this section since published as proposed.

The Texas Education Agency (TEA) has determined that there are no additional costs to state or local government required to comply with the proposal.

LOCAL EMPLOYMENT IMPACT: No changes have been made to this section since published as proposed.

The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: No changes have been made to this section since published as proposed.

The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis specified in Texas Government Code, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: No changes have been made to this section since published as proposed.

The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

TAKINGS IMPACT ASSESSMENT: No changes have been made to this section since published as proposed.

The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

GOVERNMENT GROWTH IMPACT: No changes have been made to this section since published as proposed.

TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would create a new regulation. The new rule would identify provisions of the TEC that are not applicable to the special-purpose school district Boys Ranch Independent School District.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an

increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not expand, limit, or repeal an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: No changes have been made to this section since published as proposed.

The proposal would clarify which provisions of the TEC are not applicable to the special-purpose school district Boys Ranch Independent School District. There is no anticipated economic cost to persons who are required to comply with the proposal.

DATA AND REPORTING IMPACT: No changes have been made to this section since published as proposed.

The proposal would have no data and reporting impact.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: No changes have been made to this section since published as proposed.

TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: Following the January 2021 SBOE meeting, notice of proposed new §61.111 was filed with the Texas Register, initiating the public comment period. The public comment period on the proposal began March 5, 2021, and ended at 5:00 p.m. on April 9, 2021. No comments had been received at the time this item was prepared. A summary of any public comments received regarding the proposal will be provided to the SBOE during the April 2021 meeting. The SBOE will take registered oral and written comments on the proposal at the appropriate committee meeting in April 2021 in accordance with the SBOE board operating policies and procedures.

MOTION TO BE CONSIDERED: The State Board of Education:

Approve for second reading and final adoption proposed new 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District; and

Make an affirmative finding that immediate adoption of proposed new 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register. *(Per TEC, §7.102(f), a vote of two-thirds of the members of the board is necessary for an earlier effective date.)*

Staff Members Responsible:

Jeff Cottrill, Deputy Commissioner, Governance and Accountability
Morris Lyon, Senior Governance Advisor, Governance-Field Support

Attachment:

Text of Proposed New 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District

ATTACHMENT
Text of Proposed New 19 TAC

Chapter 61. School Districts

Subchapter B. Special Purpose School Districts

§61.111. Applicability of State Law to Boys Ranch Independent School District.

- (a) This section applies only to Boys Ranch Independent School District.
- (b) Boys Ranch Independent School District, a special purpose school district operated by Cal Farley's Boys Ranch, is a public school of this state fulfilling the mission of the Texas public education system to ensure that Texas students receive a quality education that enables them to achieve their potential and fully participate now and in the future in the social, economic, and educational opportunities of our state and nation.
- (c) Except as provided by subsection (d) of this section, the laws applicable to Texas public schools apply to Boys Ranch Independent School District in accordance with Texas Education Code (TEC), §11.352(c).
- (d) The following sections of the TEC do not apply to Boys Ranch Independent School District:
 - (1) TEC, §25.0811, related to the first day of instruction; and
 - (2) TEC, §25.0812, related to the last day of school.

**Proposed Amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes
(Second Reading and Final Adoption)**

April 16, 2021

**COMMITTEE ON SCHOOL INITIATIVES: ACTION
STATE BOARD OF EDUCATION: ACTION**

SUMMARY: This item presents for second reading and final adoption a proposed amendment to 19 Texas Administrative Code (TAC) Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes. The proposed amendment would update the State Board of Education (SBOE) petition procedures to allow for electronic submission of a petition authorized under Texas Government Code (TGC), §2001.021.

STATUTORY AUTHORITY: Texas Government Code ([TGC](#)), [§2001.021](#).

TGC, §2001.021, authorizes a state agency to prescribe by rule the form for a petition and the procedure for the submission, consideration, and disposition.

The full text of statutory citations can be found in the statutory authority section of this agenda.

EFFECTIVE DATE: The proposed effective date of the proposed amendment is 20 days after filing as adopted with the Texas Register. Under Texas Education Code (TEC), §7.102(f), the SBOE must approve the rule action at second reading and final adoption by a vote of two-thirds of its members to specify an effective date earlier than the beginning of the 2021-2022 school year. The earlier effective date will allow an interested person to submit a petition electronically, which currently is not an option.

PREVIOUS BOARD ACTION: The SBOE last amended §30.1 effective May 23, 2017. At the January 2021 meeting, the SBOE approved the proposed amendment to §30.1 for first reading and filing authorization.

BACKGROUND INFORMATION AND JUSTIFICATION: TGC, §2001.021, requires that procedures to petition for the adoption of rule changes be adopted by rule. To comply with statute, the SBOE adopted §30.1 effective December 5, 2004. Prior to the adoption of §30.1, procedures to petition for the adoption of changes to SBOE rules were included as part of the SBOE's operating rules. Effective April 26, 2009, an amendment adopted in rule the petition form to be used to submit a petition. Effective May 23, 2017, an amendment updated the petition form adopted in rule to require the petitioner to indicate that the petitioner meets one of the four definitions of an *interested person* specified in statute and to add language to specify the reasons the SBOE may deny a petition for rulemaking.

The attachment to this item reflects the text of the proposed amendment to §30.1 for consideration by the SBOE for second reading and final adoption. The proposed amendment would update the SBOE's petition procedures, including the petition form included as Figure: 19 TAC §30.1(a), to improve efficiency by ensuring that an interested person can submit the petition for rulemaking electronically. In addition, the proposed amendment to Figure: 19 TAC §30.1(a) would specify one Texas Education Agency (TEA) division as the collection point for all petitions submitted to the SBOE. This would ensure timely acknowledgement and review of a petition by TEA staff for consideration by the SBOE at a future meeting.

Since approved for first reading, a change is recommended to Figure: 19 TAC §30.1(a) that would allow the petitioner to provide an email address on the petition form. This addition would facilitate timely communication on the acknowledgement, status, and final decision of a petition.

The proposed amendment to §30.1(b) would add "calendar" to the phrase "60 days" to clarify the timeline for responding to a petition.

The proposed amendment to §30.1(a), (b)(1) and (2), and (c) would replace "commissioner" with "TEA staff" to reflect that the initial review of the merits of the petition is conducted by TEA staff for recommendation to the SBOE.

In addition, the proposed amendment to §30.1(d)(4)(A) would clarify that the SBOE may deny a petition if the petition is filed within one year of the SBOE denying a petition on a similar rule or the same subject matter. This change would address similar or duplicate petitions submitted within one year. The time period of one year is already established in rule and not proposed to be changed.

The proposed amendment would also include technical edits throughout §30.1 to improve readability.

FISCAL IMPACT: No changes have been made to this section since published as proposed.

TEA has determined that there are no additional costs to state or local government required to comply with the proposal.

LOCAL EMPLOYMENT IMPACT: No changes have been made to this section since published as proposed.

The proposal has no effect on local economy; therefore, no local employment impact statement is required under TGC, §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: No changes have been made to this section since published as proposed.

The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis specified in TGC, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: No changes have been made to this section since published as proposed.

The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to TGC, §2001.0045.

TAKINGS IMPACT ASSESSMENT: No changes have been made to this section since published as proposed.

The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under TGC, §2007.043.

GOVERNMENT GROWTH IMPACT: No changes have been made to this section since published as proposed.

TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would expand an existing regulation by allowing for a petition for rulemaking to be submitted via electronic means.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not create a new regulation; would not limit or repeal an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: No changes have been made to this section since published as proposed.

The proposal would provide another means by which an interested person can file a petition for rulemaking, create a more efficient process, and reflect current procedures. There is no anticipated economic cost to persons who are required to comply with the proposal.

DATA AND REPORTING IMPACT: No changes have been made to this section since published as proposed.

The proposal would have no new data and reporting implications.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: No changes have been made to this section since published as proposed.

TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: Following the January 2021 meeting, notice of the proposed amendment to §30.1 was filed with the Texas Register, initiating the public comment period. The public comment period began March 5, 2021, and ended at 5:00 p.m. on April 9, 2021. No comments had been received at the time this item was prepared. A summary of any public comments received regarding the proposal will be provided to the SBOE during the April 2021 meeting. The SBOE will take registered oral and written comments on the proposal at the appropriate committee meeting in April 2021 in accordance with the SBOE board operating policies and procedures.

MOTION TO BE CONSIDERED: The State Board of Education:

Approve for second reading and final adoption the proposed amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes; and

Make an affirmative finding that immediate adoption of the proposed amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes, is necessary and shall have an effective date of 20 days after filing as adopted with the Texas Register. *(Per TEC, §7.102(f), a vote of two-thirds of the members of the board is necessary for an earlier effective date.)*

Staff Members Responsible:

Cristina De La Fuente-Valadez, Director, Rulemaking
Amanda Gunter, Program Specialist, Rulemaking

Attachment I:

Text of Proposed Amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes

Attachment II:

Figure: 19 TAC §30.1(a)

ATTACHMENT I
Text of Proposed Amendment to 19 TAC

Chapter 30. Administration

Subchapter A. State Board of Education: General Provisions

§30.1. Petition for Adoption of Rule Changes.

- (a) Any interested person as defined in Texas Government Code (TGC) , §2001.021(d), may petition for the adoption, amendment, or repeal of a rule of the State Board of Education (SBOE) by filing a petition on the [a] form provided in this subsection. The petition shall be signed and submitted to the Texas Education Agency (TEA) [commissioner of education] . The TEA staff [~~In consultation with the persons in the Texas Education Agency who are~~] responsible for the area with which the rule is concerned [~~, the commissioner~~] shall evaluate the merits of the petition [proposal] to determine whether to recommend that rulemaking proceedings be initiated or that the petition be denied.

Figure: 19 TAC §30.1(a) [~~Figure: 19 TAC §30.1(a)~~] [~~Figure: 19 TAC §30.1(a)~~]

- (b) In accordance with TGC [the Texas Government Code] , §2001.021, the TEA staff [agency] must respond to the petitioner within 60 calendar days of receipt of the petition.
- (1) Where possible, the TEA staff [commissioner's] recommendation concerning the petition shall be placed on the next SBOE agenda, and the SBOE shall act on the petition within 60 calendar days [the 60 day time limit] .
- (2) Where the time required to review the petition or the scheduling of SBOE meetings will not permit the SBOE to act on the petition within the required 60 calendar days, the TEA staff [commissioner or a designee] shall respond to the petitioner within the required 60 calendar days, notifying the petitioner of the date of the SBOE meeting at which the TEA staff recommendation will be presented to the SBOE for action.
- (c) The SBOE will review the petition and the TEA staff recommendation [of the commissioner] and will either deny the petition, giving reasons for the denial, or direct the TEA staff [commissioner] to begin the rulemaking process [~~or deny the petition, giving reasons for the denial~~] . The TEA staff [commissioner or designee] will notify the petitioner of the SBOE's action related to the petition.
- (d) The SBOE may deny a petition on the following grounds:
- (1) the SBOE does not have jurisdiction or authority to propose or adopt the petitioned rule;
- (2) the petitioned rule conflicts with a statute, court decision, another rule proposed or adopted by the SBOE, or other law;
- (3) the SBOE determines that a different proceeding, procedure, or act more appropriately addresses the subject matter of the petition than initiating a rulemaking proceeding;
- (4) the petitioner files [is inappropriately using the opportunity to file a rulemaking petition under this section, as evidenced by filing] a petition:
- (A) within one year of the SBOE denying a [having the] petition on a similar rule or the same subject matter [denied] ; or
- (B) to amend a rule proposed or adopted by the SBOE that has not yet become effective; or
- (5) any other reason the SBOE determines is grounds for denial.
- (e) If the SBOE initiates rulemaking procedures in response to a petition, the rule text which the SBOE proposes may differ from the rule text proposed by the petitioner.

Figure: 19 TAC §30.1(a)

STATE BOARD OF EDUCATION Petition for Adoption of a Rule

The Texas Government Code, §2001.021, provides that any interested person may petition an agency requesting the adoption of a rule.

The petition [~~Petitions~~] should be signed and submitted [~~to~~] :

by mail to Rulemaking Division, Texas Education Agency, 1701 North Congress Avenue, Austin, Texas 78701-1494; or [Commissioner of Education]
[Texas Education Agency, 1701 North Congress Avenue, Austin, Texas 78701-1494]

by using the email button at the bottom of this petition form or by emailing directly to rules@tea.texas.gov.

Name:

Affiliation/Organization (if applicable):

Address:

Email Address:

Telephone:

Date:

Texas Government Code, §2001.021, specifies that an interested person must meet one of the following criteria. Please check all of the following that apply to you.

- resident of Texas
- business entity located in Texas
- governmental subdivision located in Texas
- public or private organization located in Texas that is not a state agency

Proposed rule text (indicate words to be added or deleted from the current text):

Statutory authority for the proposed rule action:

Why is this rule action necessary or desirable?

(If more space is required, attach additional sheets.)

Petitioner's Signature

(Typing your name in the field above serves as your signature for the purposes of this petition.)

[Click here to submit petition form](#)

Open-Enrollment Charter School Generation 26 Application Updates

April 15, 2021

COMMITTEE ON SCHOOL INITIATIVES: DISCUSSION STATE BOARD OF EDUCATION: NO ACTION

SUMMARY: The director of the Division of Charter School Authorizing and Administration will provide updates regarding the Generation Twenty-Six Open-Enrollment Charter Application cycle.

STATUTORY AUTHORITY: Texas Education Code ([TEC](#)) §12.101.

TEC, §12.101 requires the commissioner to notify the State Board of Education (SBOE) of each charter the commissioner proposes to grant. Unless, before the 90th day after the date on which the board receives the notice from the commissioner, a majority of the members of the board present and voting vote against the grant of that charter, the commissioner's proposal to grant the charter takes effect.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: This item is for discussion of updates pertaining to the Generation Twenty-Six application.

Public information concerning open-enrollment charter schools is available on the Subchapter D Charters page found on the Texas Education Agency's website (<https://tea.texas.gov/charterapp.aspx>). When complete, the Generation Twenty-Six application and required attachments will be available on that page.

Staff Members Responsible:

Kelvey Oeser, Deputy Commissioner, Educator Support

Heather Mauzé, Director, Charter School Authorizing and Administration

Open-Enrollment Charter School Overview

April 15, 2021

COMMITTEE ON SCHOOL INITIATIVES: DISCUSSION STATE BOARD OF EDUCATION: NO ACTION

SUMMARY: The director of the Division of Charter School Authorizing and Administration will brief new committee members on the work of division staff as it relates to the state authorized Charter School Portfolio.

STATUTORY AUTHORITY: Texas Education Code ([TEC](#)) [§12.101](#).

TEC, §12.101 requires the commissioner to notify the State Board of Education (SBOE) of each charter the commissioner proposes to grant. Unless, before the 90th day after the date on which the board receives the notice from the commissioner, a majority of the members of the board present and voting vote against the grant of that charter, the commissioner's proposal to grant the charter takes effect.

The full text of statutory citations can be found in the statutory authority section of this agenda.

BACKGROUND INFORMATION AND JUSTIFICATION: The open-enrollment charter school overview will provide new Committee on School Initiative members an understanding of current charter school law, state responsibilities, and SBOE responsibilities.

Staff Members Responsible:

Kelvey Oeser, Deputy Commissioner, Educator Support

Heather Mauzé, Director, Charter School Authorizing and Administration

Review of Proposed Amendment to 19 TAC Chapter 230, Professional Educator Preparation and Certification, Subchapter A, General Provisions, §230.1, Definitions

April 16, 2021

**COMMITTEE ON SCHOOL INITIATIVES: ACTION
STATE BOARD OF EDUCATION: ACTION**

SUMMARY: This item provides the State Board of Education (SBOE) an opportunity to review the State Board for Educator Certification (SBEC) rule actions that would make an amendment to 19 Texas Administrative Code (TAC) Chapter 230, Professional Educator Preparation and Certification, Subchapter A, General Provisions, §230.1, Definitions. The proposed amendment would update the definition of a *pilot exam* in §230.1(17) to indicate that the edTPA performance assessment pilot will be subject to review by the SBEC prior to September 1, 2022, rather than the original date of September 1, 2021.

STATUTORY AUTHORITY: Texas Education Code (TEC), §§21.041(b)(1), (2), (4), and (c); 21.044(a); 21.048(a) and (a-1); 21.050; and 22.082.

TEC, §§21.041(b)(1), requires the SBEC to propose rules that provide for the regulation of educators and the general administration of the TEC, Chapter 21, Subchapter B, in a manner consistent with the TEC, Chapter 21, Subchapter B; 21.041(b)(2), requires the SBEC to propose rules that specify the classes of educator certificates to be issued, including emergency certificates; and 21.041(b)(4), requires the SBEC to propose rules that specify the requirements for the issuance and renewal of an educator certificate.

TEC, §21.041(c), states that the SBEC may adopt fees for the issuance and maintenance of an educator certificate to adequately cover the cost of the administration.

TEC, §21.044(a), requires the SBEC to propose rules establishing training requirements a person must accomplish to obtain a certificate, enter an internship, or enter an induction-year program.

TEC, §21.048(a) and (a-1), state that the SBEC shall propose rules prescribing comprehensive examinations for each class of certificate issued by the board that includes not requiring more than 45 days elapsing between examination retakes.

TEC, §21.050(a), states that a person who applies for a teaching certificate must possess a bachelor's degree.

TEC, §21.050(b), states that the SBEC shall provide for a minimum number of semester credit hours of field-based experience or internship.

TEC, §21.050(c), states that a person who receives a bachelor's degree required for a teaching certificate on the basis of higher education coursework completed while receiving an exemption from tuition and fees under the TEC, §54.363, may not be required to participate in any field experience or internship consisting of student teaching to receive a teaching certificate.

TEC, §22.082, requires SBEC to subscribe to the criminal history clearinghouse as provided by Texas Government Code, §411.0845, and may obtain any law enforcement or criminal history records that relate

to a specific applicant for or holder of a certificate issued under Chapter 21, Subchapter B.

The full text of statutory citations can be found in the statutory authority section of this agenda.

PREVIOUS BOARD ACTION: None.

BACKGROUND INFORMATION AND JUSTIFICATION: The SBEC rules in 19 TAC Chapter 230 specify the testing requirements for certification and the additional certificates based on examination. These requirements ensure educators are qualified and professionally prepared to instruct the schoolchildren of Texas. The following provides a description of changes to Chapter 230, Subchapter A, §230.1.

At the July 2019 SBEC meeting, the SBEC approved the edTPA performance assessment pilot to run two consecutive years. To ensure clarification of the pilot timeline, the SBEC also adopted new §230.1(17) that defined the term *pilot exam* to align with the Board's intention of the two-year edTPA pilot and required the SBEC to review the pilot exam by September 1, 2021.

Due to the impact of COVID-19 on educator preparation programs (EPPs), candidates, and schools, Texas Education Agency (TEA) staff recommended at the October 2020 SBEC meeting that the SBEC extend the pilot period one year, to include a third pilot year, with the intent of providing programs flexibility and a longer runway given the current circumstances. The SBEC approved the extension of the edTPA pilot period at the October meeting and directed TEA staff to bring proposed rule language to codify the extension of the pilot period at the December 2020 meeting. The SBEC approved the proposed amendment for publication in the *Texas Register* as proposed rules at the December 2020 meeting. At its February 2021 meeting, the SBEC approved, subject to SBOE review, the proposed amendment to 19 TAC §230.1.

The following is an overview of the proposed amendment to 19 TAC §230.1 shown in the attachment.

Subchapter A, §230.1. Definitions

The proposed amendment to §230.1(17) would update the definition of *pilot exam* to extend the edTPA performance assessment pilot period with an updated SBEC review date of September 1, 2022. This would allow teacher candidates and EPPs that are interested in participating in the pilot additional flexibility during the public health crisis. The proposed amendment to §230.1(17) and (25) would reflect technical edits to implement the *Texas Register's* style for capitalization.

SBOE Review of Proposed SBEC Rules

Under the TEC, §21.042, the SBEC must submit a written copy of each rule it proposes to adopt to the SBOE for review. The SBOE may reject the proposed rule by a vote of at least two-thirds of the members of the SBOE present and voting but may not modify a rule.

FISCAL IMPACT: No changes have been made to this section since published as proposed. The TEA staff has determined that there is no additional fiscal impact on state or local governments and that there are no additional costs to entities required to comply with the proposal.

LOCAL EMPLOYMENT IMPACT: No changes have been made to this section since published as proposed. The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code (TGC), §2001.022.

SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT: No changes have been made to this section since published as proposed. The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis, specified in TGC, §2006.002, is required.

COST INCREASE TO REGULATED PERSONS: No changes have been made to this section since published as proposed. The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to TGC, §2001.0045.

TAKINGS IMPACT ASSESSMENT: No changes have been made to this section since published as proposed. The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under TGC, §2007.043.

GOVERNMENT GROWTH IMPACT: No changes have been made to this section since published as proposed. The TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency; would not create a new regulation; would not expand, limit, or repeal an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

PUBLIC BENEFIT AND COST TO PERSONS: No changes have been made to this section since published as proposed. The public benefit would be the increased teacher knowledge and skills in subject-specific pedagogy, leading to the anticipated growth in student academic performance. The TEA staff has determined there is no anticipated cost to persons required to comply with the proposal.

DATA AND REPORTING IMPACT: No changes have been made to this section since published as proposed. The proposal would have no new data and reporting impact.

PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS: No changes have been made to this section since published as proposed. The TEA staff has determined the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

PUBLIC COMMENTS: In accordance with the SBEC rulemaking process, a summary of comments received by the SBEC on its proposed rules is shared with the SBOE under separate cover prior to this SBOE meeting.

MOTION TO BE CONSIDERED: The State Board of Education:

Take no action on proposed amendment to 19 TAC Chapter 230, Professional Educator Preparation and Certification, Subchapter A, General Provisions, §230.1, Definitions.

Staff Members Responsible:

Marilyn Cook, Interim Associate Commissioner, Educator Preparation, Certification, and Enforcement
Jessica McLoughlin, Director, Educator Standards and Testing

Attachment:

Text of Proposed Amendment to 19 TAC Chapter 230, Professional Educator Preparation and Certification, Subchapter A, General Provisions, §230.1, Definitions

ATTACHMENT
Text of Proposed Amendment to 19 TAC

Chapter 230. Professional Educator Preparation and Certification

Subchapter A. General Provisions

§230.1. Definitions.

The following words and terms, when used in this chapter, Chapter 232 of this title (relating to General Certification Provisions), and Chapter 233 of this title (relating to Categories of Classroom Teaching Certificates), shall have the following meanings, unless the context clearly indicates otherwise.

- (1) Accredited institution of higher education--An institution of higher education that, at the time it conferred the degree, was accredited or otherwise approved by an accrediting organization recognized by the Texas Higher Education Coordinating Board.
- (2) Appropriate--Suitable for a particular purpose. The term denotes compliance with State Board for Educator Certification (SBEC) rules and with SBEC procedures and policies posted on the Texas Education Agency website that are related to the stated particular purpose.
- (3) Candidate--An individual who has been formally or contingently admitted into an educator preparation program; also referred to as an enrollee or participant.
- (4) Certificate--Any educator credential issued by the State Board for Educator Certification under the authority of the Texas Education Code, Chapter 21, Subchapter B.
- (5) Certification class--A certificate, as described in §230.33 of this title (relating to Classes of Certificates), that has defined characteristics and includes the following: superintendent, principal, classroom teacher, school counselor, school librarian, educational diagnostician, reading specialist, and master teacher.
- (6) Charter school--A Texas public school operated by a charter holder under an open-enrollment charter school granted either by the State Board of Education (SBOE) or commissioner of education, whichever is applicable, pursuant to Texas Education Code, §12.101, identified with its own county district number.
- (7) Classroom teacher--An educator who is employed by a school or district and who, not less than an average of four hours each day, teaches in an academic instructional setting or a career and technical education instructional setting. This term does not include an educational aide or a full-time administrator.
- (8) Content certification examination--A standardized test or assessment required by statute or State Board for Educator Certification rule that governs an individual's admission to an educator preparation program.
- (9) Content pedagogy examinations--A standardized test or assessment required by statute or State Board for Educator Certification rule that governs an individual's certification as an educator.
- (10) Continuing professional education--Professional development required for the renewal of standard and/or lifetime certificates that is designed to ensure improvement in both the performance of the educator and achievement of his or her students.
- (11) Educator--An individual who is required to hold a certificate issued under the Texas Education Code, Chapter 21, Subchapter B.
- (12) Educator preparation program--An entity approved by the State Board for Educator Certification to offer training and coursework that must adequately prepare candidates for educator certification and meet the standards and requirements of the board.

- (13) Examination--A standardized test or assessment required by statute or State Board for Educator Certification rule that governs an individual's admission to an educator preparation program, certification as an educator, continuation as an educator, or advancement as an educator.
- (14) Hearing impairment--As defined in the Texas Education Code, §21.048(d)(1), a hearing impairment so severe that the person cannot process linguistic information with or without amplification.
- (15) Initial certification--The first Texas educator certificate for a particular class issued to an individual as specified in §230.33 of this title (relating to Classes of Certificates).
- (16) Intern certificate--A type of certificate issued to a candidate who has passed all required content examinations and is completing requirements for certification through an approved educator preparation program.
- (17) Pilot exam--A [a] certification examination that is subject to review by the State Board for Educator Certification prior to September 1, 2022 [~~September 1, 2021~~] .
- (18) Private school--A non-public school whose educational program has been evaluated by a regional accrediting agency and whose program has met and is maintaining certain educational standards.
- (19) Probationary certificate--A type of certificate issued to a candidate who has passed all required examinations and is completing requirements for certification through an approved educator preparation program.
- (20) Professional class--A term that refers to certificates for duties other than classroom teacher (e.g., superintendent, principal, school counselor, school librarian, educational diagnostician, reading specialist, and master teachers).
- (21) Standard certificate--A type of certificate issued to an individual who has met all requirements for a given class of certification, as specified in §230.33 of this title (relating to Classes of Certificates).
- (22) Teacher--An individual who is required to hold a certificate issued under the Texas Education Code, Chapter 21, Subchapter B.
- (23) Teacher of record--An educator who is employed by a school or district and who teaches in an academic instructional setting or a career and technical instructional setting not less than an average of four hours each day and is responsible for evaluating student achievement and assigning grades.
- (24) Teacher service record--The official document used to record years of service and days used and accumulated under the state's former minimum sick leave program or the state's current personal leave program.
- (25) Texas Essential Knowledge and Skills (TEKS)-- The Kindergarten-Grade 12 [~~Kindergarten-Grade 12~~] state curriculum in Texas adopted by the State Board of Education and used as the foundation of all state certification examinations.
- (26) Texas school district--A school district accredited and approved by the Texas Education Agency under the Texas Education Code, Chapter 11.

INFORMATION MATERIALS

STATE BOARD OF EDUCATION OPERATING RULES
(amended January 26, 2021)

CHAPTER 1. BOARD ORGANIZATION

The statutory citation for this chapter is the Texas Education Code, §7.107.

§1.1. Officers of the Board.

(a) Selection.

- (1) The vice chair and secretary of the board shall be elected by a majority vote in accordance with Texas Education Code, §7.107, to serve for a term of two years and until their successors are elected.
- (2) Either of these officers may be removed from office by a vote of not less than two-thirds of the membership of the board.
- (3) In case of death or resignation of the vice chair or the secretary of the board, the board shall elect by a majority vote a board member to fill the vacancy for the unexpired term of that officer at the next board meeting.

(b) Duties.

- (1) Chair. The chair shall preside at meetings and perform all other duties prescribed by law, by board rule, or by board direction.
- (2) Vice chair. The vice chair shall perform the duties of the chair in case of absence or disability of the chair and other duties as the chair may request. Should the office of the chair become vacant, the vice chair shall serve as chair until a successor has been appointed by the governor.
- (3) Secretary. The secretary shall perform all duties as required by law and such other duties as the chair may request.

§1.2. Committees of the Board.

- (a) The standing committees of the board and their areas of oversight are:

Committee of the Full Board

1. Public testimony
2. Establishment of essential knowledge and skills (TEKS)
3. Instructional materials proclamations and adoption of instructional materials
4. Consideration of the Commissioner of Education's open-enrollment charter school proposals

Committee on Instruction

1. Establishment of curriculum and graduation requirements
2. Curriculum implementation (including credit by examination, Texas Advanced Placement Incentive Program, and procedures concerning dyslexia and related disorders)
3. Student assessment program implementation
4. General education
5. Education of individuals with disabilities
6. Gifted and talented education
7. Adult education
8. Library standards
9. Texas School for the Blind and Visually Impaired/Texas School for the Deaf

Committee on School Finance/Permanent School Fund

1. State and federal funding issues
2. Financial budgeting, reporting, and regulation
3. Contract and grant approval
4. Instructional materials financing and operations
5. Community education funding
6. Oversight of the Bond Guarantee Program
7. Permanent School Fund management oversight, including audit responsibility, investment objectives, and investment decisions
8. Review of nominations for gubernatorial appointments: Teacher Retirement System, School Land Board

Committee on School Initiatives

1. Long-range plans required by statute
 2. Educational technology and telecommunications
 3. Review and evaluation of charter school applications, revisions, and amendments the commissioner of education proposes to grant
 4. State Board for Educator Certification rules review
 5. School board member training policy
 6. Hearing examiners
 7. Military reservation and special purpose school districts
 8. Extracurricular activities
 9. Home-rule school district probation and revocation
- (b) Amendments to the areas of committee oversight reflecting new or changing board responsibilities may be made during the board's periodic operating rules review or by means of resolution addressing the change in responsibilities should such change occur between the operating rules review.
- (c) Committees may receive information, investigate, study and report to the board. The board may from time to time define by resolution the areas of oversight of each committee as may be necessary. Each committee shall review and make recommendations on the board agenda items falling under its areas of oversight; except that the chair of the board, in consultation with the respective committee chair, may designate any board agenda item for review and recommendation by the Committee of the Full Board.

- (d) The Committee of the Full Board shall be composed of all members of the board, and the chair of the board shall be the chair of the Committee of the Full Board.
- (e) The Committees on Instruction, School Finance/Permanent School Fund, and School Initiatives shall be composed of five members selected by the officers of the board. Each member will serve on one committee in addition to the Committee of the Full Board. The officers of the board shall request in writing the committee choices of the members ranked in order of preference and shall make committee assignments in the public view for terms of two years at the organizational meeting after the qualification of new members as the next order of business following election of board officers and adoption of rules. Vacancies shall be filled in a similar fashion. In addition to preference, the officers of the board shall also consider seniority (total years of service), ethnicity balance, gender balance, racial diversity, geographic balance, and relevant qualifications specific to a committee assignment in making committee assignments. Each committee shall elect a chair from among its members and the chair may appoint a vice chair. An officer of the board is not eligible to serve as the chair of a standing committee.
- (f) Ad hoc committees (i.e., task forces) may be constituted from time to time as directed by a vote of the board or by the chair to perform such duties as the board or chair may assign. The personnel and length of service of ad hoc committees shall be designated by the chair unless otherwise directed by a vote of the board. No action taken by any ad hoc committee shall be final or binding upon the board unless otherwise directed by a vote of the board.
- (g) Occasionally, committees may find it necessary to request legal opinions, comprehensive studies, or reports to be prepared by the staff to aid the committees in their deliberations. To ensure clarity and coordination, all such requests shall be directed to State Board of Education Support staff and shall be reflected in the minutes of the committee meeting. The Chair or the Commissioner may request that the Attorney General issue an opinion under Texas Government Code §402.042.

§1.3. Board Member Seating Selection.

With the exception of the chair, vice chair, and secretary, the seating of board members will be by State Board of Education districts. The seating for the remaining 12 members will be rotated annually at the first board meeting of the calendar year. Any member with a special need may exchange seats with another board member who is in agreement with that exchange.

CHAPTER 2. MEETINGS

The statutory citations for this chapter are the Texas Education Code, §§7.055, 7.106, 7.107, 7.110, and 39.030, and the Texas Government Code, Title 5, Open Government; Ethics, Subtitle A, Open Government, Chapter 551, Open Meetings.

§2.1. Regular Meetings of the Board.

In accordance with Texas Education Code, §7.106, four regular meetings of the board a year shall be held in Austin, Texas. If a quorum is not present for a meeting, the meeting shall be recessed or adjourned and all items on the agenda shall be heard at a subsequent meeting.

§2.2. Special Meetings of the Board.

Special meetings of the board may be held at times and places as ordered by the chair during a regular meeting, or special meetings may be called by the chair of the board to be held at a time and place the chair shall designate.

§2.3. Open Meetings.

Regular, special, and committee meetings of the board shall be open to the public; however, the board or board committees may meet in executive session in accordance with law and these rules. Open meetings of the board and standing committees shall be broadcast live over the Internet. The chair may limit in-person attendance at a meeting to ensure health and safety of board members and members of the public. In such instances, governor's orders shall be followed, and members of the public shall be given access to view all portions of the meetings virtually.

§2.4. Executive Sessions.

Executive sessions of the board or of board committees are meetings with only board members and persons authorized by law. Executive sessions shall be held in accordance with Texas Government Code, Chapter 551, Open Meetings.

§2.5. Agendas.

- (a) The chair has the primary responsibility for creating the SBOE meeting agendas. This includes the SBOE agenda, the Committee of the Full Board agenda, and all committee agendas. Other than as provided in this subsection and subsections (b) and (c) of this section, all agenda items are subject to the approval of the chair. If a member wishes an item to be placed on the agenda of the Committee of the Full Board, the member should request in writing that the chair place the item on the agenda. The chair will respond in writing whether or not the item will be placed on the agenda. If the chair declines in writing to place the item on the agenda, the member may make a motion during a board meeting to include the item on the agenda. If the board approves the request, it is placed on the agenda of the Committee of the Full Board for the next meeting.
- (b) The chairs of the Committee on Instruction, Committee on School Finance/Permanent School Fund, Committee on School Initiatives, and ad hoc committees shall collaborate with the board chair regarding items to be placed on their respective committee agendas. Committee agendas shall include statutorily mandated motions, items assigned to the

committee by the board chair, items posted at the discretion of the committee chair and items voted on as set out in subsection (c) below. Committee chairs may post discussion items per their discretion, but action items must be approved by the board chair, subject to the process set out in (c) below.

- (c) Any member of the board may request that a committee chair place an item on the agenda of that chair's committee, other than the Committee of the Full Board, as either a discussion item or an action item. If the committee chair agrees, the item is placed on the agenda of that chair's committee in accordance with the member's request, subject to the approval of the board chair. If the committee chair denies the member's request, the member may appeal the denial to the board chair. If the board chair denies the request, the member may appeal the denial to the board. If the board approves the request, it is placed on the agenda of the committee to which the request was made at the next meeting of that committee.
- (d) A subject on the agenda that is outside the scope of the board's authority may only be considered by the board or the Committee of the Full Board by a vote of a majority of the membership of the board. The chair, in consultation with Agency legal counsel, shall make a determination regarding whether an item is outside the scope of the board's authority when preparing the agenda. Any member may move to place an item determined by the chair to be outside the scope of the board's authority on the agenda for a subsequent meeting.
- (e) The commissioner of education shall prepare and submit to each member of the board, prior to each meeting, a draft agenda schedule listing item titles with short summaries of each item. Materials supplementing the agenda may be included. Official agendas will be available the day of the board meeting.

§2.6. Official Transaction of Business.

- (a) The board shall transact official business only when in session with a quorum present. Unless otherwise provided by law, in order for a board action to be final, it must be approved by a majority of the board members present and voting.
- (b) The chair may authorize the board to meet via remote video or web conference. As required by Government Code §551.127(c), if videoconference calling technology is used, the meeting location where the presiding officer of the meeting is present must be open to the public, except during executive sessions. The chair may limit the number of remote conference locations in the interest of decorum and capacity.
- (c) The chair may modify procedures for conducting meetings of the board if emergency protocols are enacted by the governor related to a pandemic or similar event. In such instances, governor's orders and emergency rules shall be followed.
- (d) If a board member participates in a meeting virtually, the board member must be visible by video and must have capabilities to be heard by other board members and members of the public. A member who is not present on camera during a vote of the board will be noted as absent for the vote.

- (e) No posters, props, or other visual displays are allowed by board members within the meeting rooms or at remote locations without permission from the presiding chair.

§2.7. Rules of Order.

- (a) The board shall observe *Robert's Rules of Order, Newly Revised*, except as otherwise provided by board rules or by statute.
- (b) The presiding chair shall preserve order and decorum during meetings. In case of disturbance or disorderly conduct in the public gallery, the chair may order that any disruptive individuals be cleared from the area.
- (c) No signs, placards, flags, noisemakers, or other objects of a similar nature shall be permitted in the audience gallery area.
- (d) No applause, outburst or other demonstration by any spectator shall be permitted during the public testimony, public hearing or debate portion of any State Board of Education meeting. After warnings to the audience to refrain from such demonstrations, the presiding chair may direct that disruptive individuals in the gallery area be removed as necessary to preserve decorum during meetings.
- (e) Supporters of a testifier may not gather behind the podiums used for testimony. Testifiers are free to use a portion of their testimony time to acknowledge supporters seated in the audience.

§2.8. Minutes.

The official minutes of the board shall be kept by the office of the commissioner of education or the commissioner's designee and shall be available to any citizen desiring to examine them. Official minutes are those which the board has approved, and which carry the original signature of the secretary of the board.

§2.9. Resolutions.

- (a) A member wishing to offer a resolution shall give notice of the resolution by submitting a copy to the chair and the State Board of Education Support staff not less than four weeks prior to the Monday of the week during which the meeting at which the resolution is to be considered. The board shall consider the resolution and any germane amendments at the next meeting following such notice.
- (b) Titles for congratulatory, commendatory or other non-substantive resolutions shall be submitted by the timelines prescribed in this section with resolution text following a date and time consistent with the staff's pre-meeting preparation timeline.
- (c) The board may consider a resolution which expresses an opinion related to specific instructional materials or which expresses concerns as to the appropriateness of specific instructional materials for certain ages or populations. Resolutions considered under this subsection must conform to the following:
 - (1) The resolution shall be submitted in compliance with subsection (a) of this section.

- (2) Board action on a resolution expressing an opinion related to specific instructional materials may only be considered after final action has been taken concerning placement of the specific instructional materials on the list of adopted instructional materials for use in the public schools of Texas. Board action relative to instructional materials resolutions must take place within 90 days of adoption of the specific instructional materials under 19 TAC Chapter 66, State Adoption and Distribution of Instructional Materials, §66.66(b).
- (3) Nothing in the resolution shall be construed to replace or modify any final action taken by the board under 19 TAC Chapter 66.
- (4) The board may adopt a resolution expressing an opinion related to instructional materials based on the following criteria:
 - (A) Instructional materials should present the most current factual information accurately and objectively without editorial opinion or bias by the authors. Theories should be clearly distinguished from fact and presented in an objective educational manner.
 - (B) Instructional materials should promote citizenship, patriotism, democracy, understanding of the essentials and benefits of the free enterprise system, respect for recognized authority, and respect for individual rights. The materials should not include selections or works that encourage or condone civil disorder, social strife, or disregard of the law. Violence, if it appears, should be treated in the context of its cause and consequence. It should not appear for reasons of unwholesome excitement or sensationalism.
 - (i) Instructional materials should present positive aspects of the United States and its heritage.
 - (ii) When significant political or social movements in history generate no clear consensus, instructional materials should present balanced and factual treatment of the positions.
 - (iii) Free enterprise means an economic system characterized by private or corporate ownership of capital goods; investments that are determined by private decision rather than by state control; and prices, production, and the distribution of goods that are determined in a free market.
 - (C) Instructional materials should not include blatantly offensive language or illustrations.
 - (D) Instructional materials should treat divergent groups fairly without stereotyping and reflect the positive contributions of all individuals and groups to the American way of life. Illustrations and written materials should avoid bias toward any particular group or individual and present a wide range of goal choices. Particular care should be taken in the treatment of ethnic groups, issues related to the aging and aged, roles of men and women, the dignity of workers, and respect for the work ethic.

- (i) Instructional materials should not encourage lifestyles deviating from generally accepted standards of society.
 - (ii) Instructional materials should provide an objective view of cultural confluence and include information needed to develop mutual understanding and respect among all elements of our population. Materials should reflect an awareness that culture and language variation does exist and can be used to promote successful learning.
 - (iii) Instructional materials should present examples of men and women participating in a variety of roles and activities and also shall present the economic, political, social, and cultural contributions of men and women, past and present.
 - (iv) Instructional materials that treat aspects of the world of work should reflect the positive contributions of all types of careers to the American economic system and way of life. People presented should reflect varieties of work and be treated without bias toward particular kinds of work.
 - (v) Instructional materials should present traditional and contemporary roles of men, women, boys, and girls.
 - (vi) Instructional materials should present balanced treatment of issues related to aging and the aged.
- (5) A representative of the publisher of the specific instructional material shall be given the opportunity to address the board prior to action by the board on such a resolution.
 - (6) A copy of any resolution passed by the board expressing an opinion related to specific instructional material shall be provided to the board president and superintendent of each school district in Texas.

§2.10. Oral Public Testimony in Connection with Regular Board and Committee Meetings.

- (a) General Provisions.
 - (1) In accordance with Texas Education Code, §7.110, the board shall provide opportunity for oral public testimony at regular committee meetings, special meetings, and at regularly scheduled meetings of the State Board of Education.
 - (2) Work session and ad hoc committee meetings are exempt from this requirement.
 - (3) The presiding chair shall take appropriate action to avoid unduly repetitious testimony.
 - (4) The presiding chair shall assure that members of the public with differing viewpoints have reasonable access to address the board and take steps to ensure that individuals will be given priority over registered lobbyists.

- (5) The presiding chair shall determine which speakers will be heard and the order in which they will be heard if the number exceeds that number which may reasonably be expected to testify in the allotted time for presentations. The presiding chair shall also determine whether speakers who did not register or who registered late will be heard and whether persons asking to testify as a substitute for a registered speaker may do so.
 - (6) The board, without debate, may allow a person to testify for clarification and informational purposes, whether or not he/she has registered or previously testified. The person is not required to honor the request.
- (b) Registration Procedures.
- (1) Individuals may register between the hours of 8 a.m. (Central Time) on the Thursday preceding the board meeting and 5 p.m. on the Friday preceding the board meeting on the agency website at <https://tea.texas.gov/PublicTestimonySBOE/>, or, during normal operating hours, by telephone at (512) 463-9007 or in person at the William B. Travis (WBT) State Office Building, 1701 N. Congress, room 1-109, Austin, Texas 78701.
 - (2) The speaker shall provide his or her name and organizational affiliation, if any, contact telephone number, mailing address, email address, and indicate which item or topic the speaker will address and viewpoint on the topic; and the speaker will disclose if he or she is a lobbyist registered with the Texas Ethics Commission.
 - (3) A person may register himself or herself, and one other person. Organizations may not register more than two persons per item.
 - (4) Those registering online will receive an email confirming the registration during the next business day.
 - (5) Registrations will be listed based upon registration date and time or alternating points of view in order of registration date and time.
 - (6) Late registration will be accepted until 30 minutes before the scheduled start of a meeting, however late registrants are not guaranteed an opportunity to testify due to time constraints.
 - (7) Speakers will be informed if it appears that time constraints will not permit all speakers to make their presentation within the allotted time.
 - (8) All speakers shall provide twenty (20) collated or stapled copies of their testimony. Registered speakers who are unable to make their presentations due to time constraints are encouraged to provide twenty (20) copies of their testimony for distribution to board members and agency executive staff. Written testimony will not be attached to committee minutes.
- (c) Oral Public Testimony to Committees.
- (1) Oral public testimony to committees is limited to the topics posted for action or discussion on committee agendas at that specific committee meeting.

- (2) In order to maximize the total number of testifiers who are able to provide oral testimony, two-minute time limits on individual oral testimony will be imposed unless modified by the presiding chair.
 - (3) The presiding chair shall designate whether oral public testimony shall be taken at the beginning of the meeting or at the time the related item is taken up by the committee.
 - (4) The presiding chair shall take steps to ensure that individuals will be given priority over registered lobbyists. The committee, without debate, may allow a person to testify for clarification and informational purposes, whether or not he/she has registered or previously testified. The person is not required to honor the request.
- (d) Oral Public Testimony to the General Meeting of the Board.
- (1) Oral public testimony at general meetings of the State Board of Education is limited to topics that are *not* posted for action or discussion at the corresponding regular committee meetings or information published in the information section of the agenda.
 - (2) Thirty (30) minutes shall be allotted for oral public testimony, excluding the questions and answers, at the beginning of each board meeting, unless modified by a majority vote of the board. Three-minute time limits on individual oral testimony will be imposed unless modified by the presiding chair. Testimony invited by board members shall not be counted against the time allotted for oral public testimony. Agency staff shall inform the presiding chair and any affected registered speakers prior to the meeting if time constraints may not allow some registered speakers to testify.
 - (3) The presiding chair shall take steps to ensure that individuals will be given priority over registered lobbyists. The board, without debate, may allow a person to testify for clarification and informational purposes, whether or not he/she has registered or previously testified. The person is not required to honor the request.

§2.11. Written Testimony in Connection with Regular Board and Committee Meetings.

- (a) Persons may file written testimony with regard to any committee or board agenda item. Any written testimony or comments shall identify the date of the meeting; the subject of the comments; the name of the author; the name of the author's organizational affiliation, if any; and indicate whether the author is a lobbyist registered with the Texas Ethics Commission.
- (b) If the written testimony is submitted at the regular board or committee meeting, twenty (20) collated or stapled copies shall be provided for distribution to board members and agency executive staff. Written testimony will not be attached to the board minutes.
- (c) Persons who were unable to attend or to testify at a committee or board meeting due to time constraints may provide twenty (20) collated or stapled copies of their testimony to agency staff for distribution to board members and agency executive staff.

§2.12. Public Hearings.

- (a) Types of Public Hearings.
 - (1) Hearings regarding proposed board rules. The board shall conduct a public hearing on a substantive rule if a hearing is requested by at least 25 persons, a governmental subdivision or agency, or an association having at least 25 members. Testimony is restricted to comments regarding the proposed action. The hearing must be set to take place before any action is adopted. The public hearing shall be conducted before the appropriate board committee as determined by the board chair in accordance with the areas of oversight defined in board operating rules.
 - (2) Other types of hearings. The board may also hold public hearings on proposed actions, such as those relating to adoption of Texas essential knowledge and skills and (TEKS) instructional materials issues. The public hearing shall be conducted before the appropriate board committee as determined by the board chair in accordance with the areas of oversight defined in board operating rules. Public hearings regarding the instructional materials adoption process are governed by 19 TAC §66.60. Public hearings regarding revision of the TEKS are governed by the SBOE-approved TEKS review and revision process.
- (b) Speakers shall preregister in accordance with the procedures set out in §2.10(b).
- (c) The presiding chair shall establish the procedures for conducting the public hearing. These procedures shall include, but are not limited to, the following:
 - (1) Providing for presentations from invited persons or an introduction from staff;
 - (2) Providing that preregistered speakers are heard in order of registration times and dates, or requiring alternating points of view in order of registration times and dates;
 - (3) Establishing time limits for speakers, generally two minutes each;
 - (4) Adjourning the hearing at the end of the allotted time period listed in the agenda item or any extension granted by a vote of the majority of the board or appropriate committee.
- (d) Persons who testify at a public hearing may bring twenty (20) collated or stapled copies of their testimony for distribution to board members and agency executive staff.
- (e) Persons who were unable to testify at a public hearing due to time constraints may provide twenty (20) members and agency executive staff.
- (f) Prior to the meeting, agency staff shall inform the presiding chair and shall attempt to inform any affected registered speakers if time constraints may not allow some registered speakers to testify.

§2.13. Public Comments Regarding Proposed Rulemaking.

All interested persons have a reasonable opportunity to submit data, views and arguments, prior to the board adoption of any rule. Public comments regarding proposed board rules may be submitted as provided in the notice of proposed rulemaking published in the *Texas Register*. The deadline for submitting public comments is 5:00 p.m. on Friday the week prior to the start of the board meeting. The board will also take registered oral and written comments on proposed rulemaking at the appropriate committee meeting.

CHAPTER 3. TRAVEL AND EXPENSES

The statutory citations for this chapter are the Texas Education Code, §7.105, Texas Government Code, Chapter 660, and the General Appropriations Act.

§3.1. Reimbursement of Expenses.

- (a) Members of the State Board of Education receive no salary but are reimbursed for all expenses incurred for attending regular and special meetings of the board and of board committees.
- (b) All reimbursements for expenditures shall be in accordance with Texas Education Code, §7.105(b), Texas Government Code, Chapter 660, the General Appropriations Act, and these rules.
- (c) Only expenses of board members may be reimbursed. Expenses for spouses, family, or other persons traveling with board members are not reimbursable.
- (d) Board members must submit receipts for the following expenses:
 - (1) public transportation (excluding receipts for bus, taxi, ride share services or limousine);
 - (2) car rental;
 - (3) lodging; and
 - (4) conference registration fees (which may not include banquets, books, or materials).
- (e) Lodging receipts must show the rate for single occupancy plus tax which will be the maximum reimbursable amount per day for lodging.
- (f) Receipts are not required to claim expenses for meals; however, the General Appropriations Act provides that "none of the funds appropriated under this act for travel expenses may be expended for alcoholic beverages" and no such expenses may be claimed for reimbursement.
- (g) Other official travel expenses which board members may claim include the following when the expenses are required for the conduct of state business:
 - (1) parking fees (including personal vehicles);
 - (3) notary fees for official documents; and
 - (4) wireless connection.

- (h) Board members may not claim reimbursement for expenses such as the following:
 - (1) laundry or other personal items;
 - (2) tips or gratuities of any kind; and
 - (3) alcoholic beverages.
- (i) All claims for reimbursement will be reviewed by agency accounting personnel to ensure compliance with the requirements of the appropriations act, and any appropriate adjustments to claims shall be made by staff.
- (j) A yearly budget shall be established for travel of board members. The budgeted amount would include an allotment of travel funds for board members to attend board meetings and committee meetings, and an allotment for in-district, out-of-district, and out-of-state meetings. An additional allotment shall be budgeted for travel of the chair when representing the State Board of Education at meetings. When there is a change in office during the fiscal year, the travel budget will be reassigned to the new board member.
- (k) A board member may be reimbursed for travel expenses for attending activities other than State Board of Education meetings and committee meetings provided that the board members are in compliance with the following procedures:
 - (1) In-District and Out-of-District Travel. In-district and out-of-district travel is at each member's discretion. Prior approval is not required; however, any travel for which reimbursement is requested must be directly related to the duties and responsibilities of the State Board of Education. Any requests for reimbursement, directly or indirectly related to seeking election to office, will not be allowed.
 - (2) Out-of-State Travel. Prior approval is required by the officers of the board (chair, vice chair, and secretary).
- (l) A board member may be reimbursed for travel expenses incurred while serving on any board, council, or commission or serving in any official board position as an appointee for specific administrative functions when appointed by the State Board of Education or its chair, or subject to approval of the board or its officers of the board.
- (m) None of the funds appropriated in the General Appropriations Act shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure.

§3.2. Travel Arrangements and Hotel Reservations for State Board of Education Meetings.

- (a) Board members shall be responsible for making their own arrangements for travel to and from board meetings. Agency travel coordinators are available for assistance.
- (b) A State Board of Education Support staff member or his/her designee will make guaranteed hotel reservations for each board member upon request.

- (c) Any change in or cancellation of reservations shall be the responsibility of the individual board member in whose name the reservations were made. Board members who wish to change or cancel their reservations must contact the hotel directly or call the State Board of Education support office. All bills received by the agency for unused or uncanceled reservations will be forwarded for payment to the board member in whose name the reservations were made.

§3.3. Acceptance of Gifts and/or Grants for Charter School Evaluation.

- (a) Purpose. The State Board of Education (SBOE) may accept a gift and/or grant for the limited purpose of expenses associated with evaluating an applicant for an open-enrollment charter school.

- (1) An entity making a gift and/or grant under this section may not:
 - (A) limit the use of the funds to any individual applicant, cycle or class of applicants;
 - (B) be a charter operator in this or any other state, a management company, service provider or vendor of any kind to charter schools in this or any other state;
 - (C) have common board members or corporate members with any entity operating a charter in Texas or applying to operate a charter in Texas;
 - (D) be an individual required to register as a lobbyist under Chapter 305, Government Code; or
 - (E) be an employee, attorney, contractor or other agent of any kind to charter schools in this or any other state.
- (2) An entity making a gift and/or grant under this section may not do so if the source of funds used for the gift and/or grant were received from an entity that could not make a gift and/or grant under this section.
- (3) For purposes of this section, a spouse or dependent child of an individual prohibited from making a gift and/or grant is also prohibited.
- (4) For purposes of this section, an entity includes any legal entity such as corporations, individuals and other business associations. An individual is limited to a natural person.
- (5) An entity making a gift and/or grant shall certify that it has complied with all requirements of this section in a format approved by the board chair.

- (b) Procedure. The SBOE may accept a gift and/or grant under this section only by an affirmative vote of the board.

- (1) A charter may not be evaluated using funds under this section unless the commissioner has:

- (A) proposed to award a charter to that applicant pursuant to Section 12.101(b); or
 - (B) requested the participation of individual board members in the agency's preliminary evaluation of an applicant.
- (2) The commissioner shall receive, disburse and account for funds accepted by the board.
 - (3) Funds accepted under this section may be used solely to pay reasonable travel expenses, including meals and accommodations, for SBOE members and TEA staff as necessary to evaluate applicants for open-enrollment under this section. Unless approved by the board chair and the commissioner, travel expenses are limited to those available for travel by SBOE members or state employees.
 - (4) In making decisions under this section, the board chair will consult with the board member acting as a liaison under Section 12.101(b). The board chair will also consult with the chair of the Committee on School Initiatives, unless doing so would create a quorum of a committee of the board. A decision by the board chair under this section is final.
 - (5) Board members evaluating a charter applicant under this section shall be selected by the board chair. The board chair will, to the extent possible, give preference to board members whose districts include proposed locations at which the charter would operate. Under no circumstances will a quorum of the board or a committee of the board participate in an evaluation under this section.
 - (6) The board chair may request that relevant TEA employees accompany board members in evaluating charter applicants under this section. The commissioner must approve participation of agency employees.
 - (7) Except as provided by this subsection, board members and TEA staff may not accept anything of value from an applicant and shall limit contact with the applicant and its employees and representatives to the actual investigation of the charter. The board chair may authorize acceptance of reasonable local transportation and meals from the applicant as necessary to facilitate the evaluation.
 - (8) In addition to board members and TEA staff, the board chair may authorize other professionals to participate in an evaluation under this section. Such a professional may not be an individual or entity unable to donate funds under subsection (a) and is subject to all conditions and limits imposed by this section on board members.
- (c) Evaluation. Each board member will individually report to the Committee on School Initiatives regarding his/her evaluation of a proposed charter prior to consideration of the charter by the board under §7.102(c)(9). The Committee on School Initiatives will develop a standard form for use by board members in evaluating a charter under this section.
 - (d) Reporting. Expenses reimbursed for each board member, TEA staff or other professionals shall be made publicly available and reported as appropriate on a board member's personal financial statement.

CHAPTER 4. CONDUCT AND PUBLIC RELATIONS

The statutory citations for this chapter are the Texas Education Code, §7.108; the Texas Government Code, §305.006, and Chapter 572, Personal Financial Disclosure, Standards of Conduct, and Conflict of Interest; and the Texas Election Code, Chapter 251, General Provisions.

§4.1. Standards of Conduct and Conflicts of Interest.

- (a) Personal interest in board actions. Whenever a board member has a financial interest in any matter to be voted upon by the board, such a member shall state at an open meeting that he or she has such an interest in the matter and shall abstain from voting and discussion concerning the matter.
- (b) The Permanent School Fund ethics policy governs the conduct of State Board of Education members with respect to the investment and management of the Permanent School Fund.

§4.2. Press and Public Relations.

- (a) Prior to each State Board of Education meeting, the agenda shall be made available by agency staff to the capitol press corps; governor's office; Legislative Budget Board; Legislative Reference Library; School Land Board; Texas Higher Education Coordinating Board; regional education service centers; and state offices of professional education organizations which have requested the agenda.
- (b) A press table shall be provided at meetings of the State Board of Education and press representatives shall be supplied with copies of the official agenda for the meeting and other materials relating to specific agenda items.
- (c) The State Board of Education shall seek to maintain open relations with the press by answering reporters' questions frankly and by providing official statements through press releases and answers to follow-up inquiries.

§4.3. Disclosure of Campaign Contributions and Gifts.

- (a) Any person, corporation, or other legal entity which proposes to enter into a contract with or applies for a grant, contract, or charter which may be granted by the State Board of Education shall disclose whether, at any time in the preceding four years, the person, corporation, or other legal entity has made a campaign contribution to a candidate for or member of the State Board of Education. Disclosure shall be made in writing to the commissioner of education 14 calendar days prior to consideration by the board or any committee of a contract, grant, or charter.

- (b) A person, corporation, or other legal entity which proposes to enter into a contract with or applies for a grant, contract, or charter which may be granted by the State Board of Education shall disclose in the same manner any benefit conferred on a candidate for or member of the State Board of Education during the preceding four years. A benefit need not be disclosed if the aggregate value of benefits conferred on a candidate for or a member of the State Board of Education during the preceding four years does not exceed \$250, or a different limit set by §572.023(b)(7), Texas Government Code. This requirement applies whether or not the person, corporation, or other legal entity is required to report the expenditure to the Texas Ethics Commission. For purposes of this section, a benefit is not conferred if the candidate for or a member of the State Board of Education has paid for the member's own participation, as well as any participation by other persons for the direct benefit of any business in which the member has a substantial interest as defined under Texas Government Code §572.005 (1) - (7).
- (c) In this section:
- (1) "person, corporation, or other legal entity" includes:
 - (A) any individual who would have a "substantial interest" in the person, corporation, or other legal entity as that term is defined in Texas Government Code, §572.005 (1) - (6);
 - (B) an attorney, representative, registered lobbyist, employee, or other agent who receives payment for representing the interests of the person, firm, or corporation before the board or to board members, or whose duties are directly related to the contract, grant, or charter; or
 - (C) an individual related within the first degree by affinity or consanguinity, as determined under Chapter 573, Government Code, to the person covered by (c)(1).
 - (2) "contract, grant, or charter" means any application to enter into a contractual relationship with or otherwise receive funding from the State Board of Education, including without limitation contracts for investment advisors, consultants, or investment managers for the Permanent School Fund and applicants for charters to operate open enrollment charter schools.
 - (3) "campaign contribution" has the meaning defined in Texas Election Code, §251.001.
 - (4) "benefit" has the meaning defined in Texas Penal Code, §36.01.
 - (5) "candidate for or a member of the State Board of Education" includes a person related within the first degree of affinity or consanguinity, as determined under Chapter 573, Government Code, to a candidate for or a member of the State Board of Education.
- (d) A person, corporation, or other legal entity has a continuing duty to report contributions or expenditures made through the term of a contract, grant, or charter and shall within 21 calendar days notify the commissioner of education and the board chair upon making a contribution or expenditure covered by this section.

- (e) Failure to disclose a contribution or expenditure under this section shall be grounds for canceling or revoking the contract, grant, or charter in the discretion of the board. Only those contributions or expenditures made after the effective date of this rule are required to be disclosed.
- (f) This section does not affect the validity of contracts, grants, or charters existing on its effective date but does apply to the renewal or extension of any contract, grant, or charter.
- (g) Before distributing bids or applications for a contract with the board, staff will provide any disclosure made under subsection (a) or (b) to a board member to whom the disclosure applies. A board member shall have 10 calendar days to provide a written statement relating to the disclosure for distribution along with all disclosures.
- (h) An SBOE member shall on April 15 of each year submit a list of businesses that the SBOE member has a substantial interest in as defined in Texas Government Code §572.005 (1) - (7) and all DBAs or assumed names of any such businesses. If any change occurs in the identities of businesses that an SBOE member has a substantial interest in, the SBOE member shall submit an amendment within 30 calendar days of the date of such change. A person, corporation, or other legal entity which proposes to enter into a contract with or applies for a grant, contract, or charter that may be granted by the State Board of Education shall be provided the combined list of all board members and shall disclose any campaign contribution or benefit under subsections (a) or (b) on behalf of any business in which an SBOE member has a substantial interest.

§4.4. Instructional Materials Submitted to the Texas Resource Review.

- (a) An SBOE member shall not nominate instructional materials for submittal to the Texas Resource Review without a majority vote of the board endorsing said nomination.

CHAPTER 5. RULES AND THE RULEMAKING PROCESS

The statutory citation for this chapter is the Texas Government Code, Chapter 2001, Subchapter B; Texas Government Code, Chapter 2002, Subchapter B; Texas Education Code, §7.102(e)-(f).

§5.1. State Board of Education Rules.

- (a) An action of the board to adopt a rule under the Texas Education Code is effective only if the rule's preamble published in the *Texas Register* includes a statement of the specified statutory authority contained in the Texas Education Code to adopt the rule.
- (b) Rules submitted to the Office of the Secretary of State for publication in the *Texas Register* shall conform to requirements promulgated by the Secretary of State.

§5.2. Adoption, Amendment, and Repeal of State Board of Education Rules.

- (a) Proposed new rules, amendments, and repeals must appear on the agenda for discussion at one board meeting and for action at two subsequent board meetings as First Reading and Second Reading, unless a departure from this rulemaking process is approved by the board.
- (b) Each member of the board shall receive copies of the preliminary and official board meeting agendas containing all proposed new rules, amendments, or repeals to be considered.
- (c) The board can take action only if the rule is posted for action in the official notice of the meeting that is published in the *Texas Register*. The commissioner is authorized to file information with the Secretary of State to comply with the requirements of Texas Government Code, Chapter 2001, Subchapter B; and Texas Government Code, Chapter 2002, Subchapter B, regarding adoption of rules.
 - (1) **First Reading and Filing Authorization.** The board can authorize the commissioner to file a proposed new rule, amendment, or repeal with the Secretary of State for publication in the *Texas Register* as it appears in the agenda or with changes to the material presented in the agenda.
 - (2) **Second Reading and Final Adoption.** If the public comment period after filing the proposal with the Secretary of State has elapsed, the board can adopt a new rule, amendment, or repeal. If a board committee determines that a substantial revision of the material presented in the agenda shall be considered, the board shall not take final action before the next board meeting.
 - (3) **Withdrawal.** The board can authorize the commissioner to withdraw a proposed new rule, amendment, or repeal that was previously filed with the Secretary of State.
 - (4) **Refiling.** The board can authorize the commissioner to withdraw and refile a proposed new rule or amendment that was previously filed with the Secretary of State if there are substantive changes from the original filing.

- (d) The board can authorize the commissioner to conduct a public hearing on behalf of the State Board of Education concerning board rules. The public hearing shall be transcribed and the transcript made available for review by board members.
- (e) Except as otherwise provided by law, a rule does not take effect until the beginning of the school year that begins at least 90 days after the date of the rule adoption.
- (f) A rule may take effect earlier than the date set forth in subsection (e) if the rule's preamble specified an earlier date with the reason for the earlier date and:
 - (1) the earlier effective date is a requirement of:
 - (A) a federal law, or
 - (B) a state law that specifically refers to Texas Education Code §7.102 and expressly requires the adoption of an earlier effective date; or
 - (2) on an affirmative vote of two-thirds of the members of the board, the board makes a finding that an earlier effective date is necessary.

§5.3. Emergency Rules.

The board may adopt emergency rules without prior notice or hearing. Conditions under which emergency rules can be adopted and the periods for which they are effective are governed by Texas Government Code §2001.034. The board shall also comply with the requirements of Section 5.2(f) of these rules and the notice of emergency meeting requirements in Texas Government Code, §551.045. Emergency rules will be placed on a board agenda for adoption as a permanent rule.

§5.4. Filing Non-Substantive Rule Corrections with the Secretary of State.

The commissioner may approve and file with the Secretary of State non-substantive corrections to State Board of Education rules. Non-substantive rule corrections may only include typographical, grammatical, referencing, or spelling errors and technical edits to comply with *Texas Register* style and format requirements. The commissioner will provide a mark-up of any such corrections to the board.

§5.5. Rulemaking Authority.

Except for rules adopted under §5.4 of these rules (relating to Filing Non-Substantive Rule Corrections with the Secretary of State), or other exceptions specifically authorized by the board, all rules of the State Board of Education shall be approved by the State Board of Education.

§5.6. Review of the State Board of Education Rules.

In accordance with Texas Government Code, §2001.039, the State Board of Education shall review its rules every four years to assure that statutory authority for the rules continues to exist. If necessary, proposed amendments will be brought to the board following the procedure described in §5.2 of these rules

§5.7. Filing of Amendments.

A member wishing to amend any Texas Essential Knowledge and Skills (TEKS) being considered by the board for second reading and final adoption shall submit the amendment in writing to the staff no later than noon on the day prior to the final vote on the adoption of the TEKS. All amendments shall be made available to the public to the extent possible. This rule may be suspended by a two-thirds vote.

CHAPTER 6. ADVISORY GROUPS

The statutory citations for this chapter are the Texas Education Code, §§7.102(b), 29.254, 32.034, and 61.077.

§6.1. General Provisions.

- (a) The State Board of Education may establish a Committee of Investment Advisors (CIA) to the Permanent School Fund and approve all selected appointments. The CIA shall be composed of not more than 15 members, one appointed by each State Board of Education member, who each have considerable institutional investment expertise and are free from conflicts of interest. The CIA member will closely advise the individual State Board of Education member who appointed the member on all matters relative to the management of the Permanent School Fund as necessary. The CIA may meet in person or via conference call or telephone conference as needed. Duties and responsibilities of the CIA are within the *Texas Permanent School Fund - Investment Procedures Manual*, Section A.2.
- (b) If the board does not establish a CIA, nothing shall prevent a board member from selecting and working with an investment advisor in a manner consistent with federal and state laws and the Investment Procedures Manual.
- (c) Content advisors and work group members will be selected in accordance with the TEKS Review and Revision Process.

CHAPTER 7. NOMINATIONS FOR GUBERNATORIAL APPOINTMENTS

The statutory citations for this chapter are the Texas Government Code, §651.009(a) and §825.003, and Texas Natural Resources Code, §32.012.

§7.1. Gubernatorial Appointments.

Pursuant to statute, the State Board of Education shall submit to the Governor lists of citizens from which appointments are to be made for the boards described in this section: Teacher Retirement System Board of Trustees and School Land Board.

§7.2. Timelines.

The Chair and/or his or her designee shall work collaboratively with staff and the Governor's Appointments Office to establish appropriate timelines for the placement on the agenda to meet appointment timelines and that proper criteria is applied by the State Board of Education.

§7.3. Nominee Selection.

The board shall select nominees in such a manner as to facilitate adherence to diversity of appointments: "In each case in which the governing body of a state board, commission, or other state agency that has statewide jurisdiction is appointed by the governor or another appointing authority, the governor or appointing authority shall ensure that, to the extent possible, the membership of the governing body reflects the racial, ethnic, and geographic diversity of this state." (§651.009(a), Government Code)

§7.4. Teacher Retirement System.

The Governor shall appoint two members of the TRS board of trustees, subject to confirmation by two-thirds of the senate, from lists of nominees submitted by the State Board of Education. These persons must be persons who have demonstrated financial expertise, have worked in private business or industry, and have broad investment experience preferably in investment of pension funds (Government Code §825.003). The board selection process shall be as follows:

- (a) Each member shall be entitled to nominate one person who meets the criteria described in this section.
- (b) The Committee on School Finance/Permanent School Fund shall adopt an evaluation process using the criteria described in this rule, subject to approval of the board, and engage an impartial third party to evaluate candidates submitted by members.
- (c) The Committee shall recommend to the full board a slate of candidates for adoption. The list of nominees is subject to amendment by the board, but the final list must comply with statutory requirements.

§7.5. School Land Board.

The Governor shall appoint two members of the School Land Board, subject to confirmation by the senate, from lists of candidates submitted by the State Board of Education. One of the

members appointed by the governor must be a resident of a county with a population of less than 200,000.

- (a) The School Land Board duties as described in the Texas Natural Resources Code (§§32.061, 51.011, 51.413) are:
 - (1) manage and control any land, mineral or royalty interest, real estate investment, or other interest, including revenue received from those sources, that is set apart to the permanent school fund together with the mineral estate in riverbeds, channels, and the tidelands, including islands;
 - (2) acquire, sell, lease, trade, improve, maintain, protect, or otherwise manage, control, or use land, mineral and royalty interests, real estate investments, or other interests, including revenue received from those sources, that are set apart to the permanent school fund in any manner, at such prices, and under such terms and conditions as the board finds to be in the best interest of the fund;
 - (3) consult with the president, chairman, or other head of the department, board, or agency, as applicable, or with the representative of the head, on each matter before the board that affects land owned or held in trust for the use and benefit of a department, board, or agency of the state; and,
 - (4) make determinations as to the release of any funds to the available school fund or to the State Board of Education for investment in the permanent school fund.
- (b) Each member shall be entitled to nominate one person who meets the criteria described in this section.
- (c) The Committee on School Finance/Permanent School Fund shall adopt an evaluation process using the criteria described in this rule, subject to approval of the board, and engage an impartial third party to evaluate candidates submitted by members.
- (d) The Committee shall recommend to the full board a slate of candidates for adoption. The list of nominees is subject to amendment by the board, but the final list must comply with statutory requirements.

§7.6. Rules and Procedures.

The board may adopt additional rules and procedures related to these selection processes.

**Texas Permanent School Fund
Asset Allocation Mix - SBOE
February 28, 2021**

<u>Asset Class</u>	<u>Portfolio</u>	<u>Book Value</u>	<u>Mix</u>	<u>Fair Value</u>	<u>Mix</u>
Equity	Domestic Small-Mid Cap	\$ 1,477,003,559	5.18%	\$ 2,438,824,555	6.30%
	Domestic Large Cap	2,159,699,648	7.58%	5,476,566,385	14.14%
	Total Domestic Equity	3,636,703,207	12.76%	7,915,390,940	20.44%
	International Equity - Blackrock	4,100,471,519	14.38%	6,223,254,736	16.07%
	Emerging Market Equity - Navarro	820,737,541	2.88%	1,322,483,841	3.41%
	Total Public Market Equity	8,557,912,267	30.02%	15,461,129,517	39.92%
Fixed Income	Domestic Fixed Income	4,499,206,951	15.78%	4,562,064,745	11.78%
	Treasuries	1,297,892,568	4.55%	1,136,439,933	2.93%
	Investec Emerging Market Debt	1,210,364,495	4.25%	1,327,970,471	3.43%
	Ashmore Emerging Market Debt	1,208,192,491	4.24%	1,266,957,806	3.27%
	Total Emerging Market Debt	2,418,556,986	8.49%	2,594,928,277	6.70%
	Total Fixed Income	8,215,656,505	28.82%	8,293,432,955	21.41%
Absolute Return	Raven 1	681,012,104	2.39%	1,103,725,078	2.85%
	Raven 4	497,515,528	1.75%	937,898,073	2.42%
	Raven 6	310,323,862	1.09%	474,362,019	1.22%
	Raven 7	369,907,860	1.30%	558,399,943	1.44%
	Raven 8	429,965,869	1.51%	558,983,491	1.44%
	Total Absolute Return	2,288,725,223	8.04%	3,633,368,604	9.37%
Private Equity	Columbia NB Crossroads Fund L.P.	222,824,767	0.78%	265,987,697	0.69%
	Columbia NB Crossroads Fund II L.P.	315,029,727	1.11%	443,810,153	1.15%
	Columbia NB Crossroads Fund II Tranche C	727,417,606	2.55%	1,006,029,059	2.60%
	Columbia NB Crossroads Fund II Tranche D	504,203,852	1.77%	605,247,695	1.56%
	TPSF NB PE Program	863,558,415	3.03%	1,349,172,594	3.48%
	Private Equity Direct	1,308,529,946	4.59%	1,691,484,483	4.37%
	Columbia CS Fund, L.P.	173,023,441	0.61%	279,109,742	0.72%
	Total Private Equity	4,114,587,754	14.44%	5,640,841,423	14.57%
Real Estate	Direct Real Estate Investments	2,937,154,186	10.30%	3,405,655,619	8.79%
	Total Real Estate	2,937,154,186	10.30%	3,405,655,619	8.79%
Real Return	Real Return - TIPS	1,097,014,828	3.85%	1,170,217,955	3.02%
	Real Return Commodities - Terlingua 1	350,803,247	1.23%	269,582,708	0.70%
	Real Return Commodities - Terlingua 2	402,535,662	1.41%	298,600,677	0.77%
	Real Return Commodities - Terlingua 3	369,509,790	1.30%	378,961,558	0.98%
	Total Real Return	2,219,863,527	7.79%	2,117,362,898	5.47%
Total Unallocated Cash	175,115,650	0.59%	175,115,650	0.47%	
Fund Total	28,509,015,112	100.00%	38,726,906,666	100.00%	

Notes: The asset classes include cash that has been allocated to the investment portfolios.
Exposure includes fair value of funded investments plus unfunded commitments.

Exposure: Total Private Equity Exposure and Percentage of Fund Total Fair Value 8,068,648,447 20.83%
Total Real Estate Exposure and Percentage of Fund Total Fair Value 5,534,440,258 14.29%

Current State Board of Education approved Strategic Asset Allocation Mix (approved July 2, 2020)

Large Cap U.S. Equity	14.00%	U.S. Treasuries	3.00%
Small/Mid Cap U.S. Equity	6.00%	Absolute Return	7.00%
Developed and Emerging Market International Large Cap Equity	14.00%	Private Equity	15.00%
Emerging Market Equity	3.00%	Real Estate	11.00%
Core Bonds	12.00%	Emerging Manager Program	1.00%
High Yield Bonds	3.00%	Real Return (Commodities)	1.00%
Emerging Market Debt (Local Currency)	7.00%	Real Return (TIPS)	3.00%
			100.00%

2017-2021 Rule Review Plan for State Board of Education Rules

STATE BOARD OF EDUCATION: INFORMATION

SUMMARY: This item outlines the rule review plan for State Board of Education (SBOE) rules during the period of September 2017 through August 2021. Texas Government Code, §2001.039, requires an ongoing four-year rule review of existing state agency rules, including SBOE rules. The rule review requirement is designed to ensure that the reason for initially adopting or readopting a rule continues to exist.

BACKGROUND INFORMATION AND JUSTIFICATION: Senate Bill (SB) 178, 76th Texas Legislature, 1999, amended the Texas Government Code by adding §2001.039, which requires the review of existing state agency rules. The rule review requirement in Texas Government Code, §2001.039, is designed to ensure that the reason for adopting or readopting the rule continues to exist.

The 2017-2021 SBOE rule review plan reflected in Attachment I repeats the cycle of review that was conducted during the 2013-2017 SBOE rule review with the addition of new rules that took effect subsequent to the adoption of that plan. The 2017-2021 plan is the sixth rule review cycle of SBOE rules.

In accordance with Texas Education Code, §28.002(m), the Texas Essential Knowledge and Skills (TEKS) are exempt from the rule review requirement and are not included in the 2017-2021 rule review plan. The TEKS were also exempt from previous rule review plans. Although the TEKS will not be reviewed as part of the rule review process, the SBOE conducts a review of the TEKS on a schedule determined by the SBOE designed to align the adoption of instructional materials with amendments to the TEKS.

Revisions to Rule Review Plan. The 2017-2021 SBOE rule review plan was approved at the November 2016 SBOE meeting and will appear on an ongoing basis in the information pages of each SBOE agenda until completion.

Any necessary modifications to the plan will appear in the information pages of the SBOE agenda along with the ongoing report.

Rule Review Procedures. Secretary of State rules specify the following two-step review process to implement the rule review requirement in the Texas Government Code, §2001.039:

1. a Notice of Proposed Review (Intention to review) that announces a public comment period for comments on whether the reason for adopting or readopting the rules continues to exist (see example in Attachment II); and
2. a Notice of Adopted Review (Readoption) that summarizes the public comments received, if any, in response to the notice of proposed review and provides a response to each comment (see examples in Attachment II).

The rule review process for SBOE rules is illustrated in this item using three examples. These examples

present the following points: (1) if no amendments are recommended to rules under review, the item presenting the adoption of the review will complete the rule review process and no further action will be necessary; and (2) if amendments are recommended to rules under review, the item presenting the adoption of the review will complete the rule review process and the amendments will be presented as a separate item under the standard rulemaking process.

Example 1. Rule Review with No Changes

January SBOE Meeting	SBOE Committee (discussion)	Discussion item that briefly describes the rule and specifies that no changes are being recommended.
	Texas Register	After the SBOE meeting, staff files Notice of Proposed Review (see Attachment II).
April SBOE Meeting	SBOE Committee and Full SBOE	Action item that presents a summary of comments received, if any, from Notice of Proposed Review. The SBOE authorizes filing the Notice of Adopted Review, noting that no changes are being proposed to the rule as a result of the review.
	Texas Register	After the SBOE meeting, staff files Notice of Adopted Review that states the rule will continue to exist without changes (see Attachment II).
END OF REVIEW PROCESS (no item at June SBOE Meeting)		

Example 2. Rule Review with Changes

January SBOE Meeting	SBOE Committee (discussion)	Discussion item that briefly describes the rule, outlines issues to be considered, and specifies anticipated changes to the rule.
	Texas Register	After the SBOE meeting, staff files Notice of Proposed Review (see Attachment II).
April SBOE Meeting	SBOE Committee and Full SBOE (first reading)	Separate action items are included in the agenda: one that presents comments received, if any, from Notice of Proposed Review and one that provides the SBOE the opportunity to propose amendments. The SBOE authorizes filing the Notice of Adopted Review and approves the proposed amendments for first reading and filing authorization.
	Texas Register	After the SBOE meeting, staff files proposed amendments and the Notice of Adopted Review that states the rule will continue to exist and changes are being proposed (see Attachment II).
END OF REVIEW PROCESS		
June SBOE Meeting	SBOE Committee and Full SBOE (second reading)	Action item that presents the proposed amendments for second reading and final adoption. Item includes a summary of comments, if any, on proposed amendments.
	Texas Register	After the SBOE meeting, staff files adopted amendments.
END OF AMENDMENT PROCESS		

Example 3. Repeal of Rule under Review

January SBOE Meeting	SBOE Committee (first reading)	Action item that presents the proposed repeal of rule. SBOE approves proposed repeal for first reading and filing authorization.
	Texas Register	After the SBOE meeting, staff files proposed repeal. No Notice of Proposed Review required for repeals.
April SBOE Meeting	SBOE Committee and Full SBOE (second reading)	Action item that presents the proposed repeal of rule for second reading and final adoption.
	Texas Register	After the SBOE meeting, staff files adopted repeal.
END OF REPEAL PROCESS		

Staff Members Responsible:

Cristina De La Fuente-Valadez, Director, Rulemaking
 Amanda Gunter, Program Specialist, Rulemaking

Attachment I: 2017-2021 Rule Review Plan for State Board of Education Rules

Attachment II: Sample Notices of Proposed Review and Adopted Review

ATTACHMENT I

2017-2021 Rule Review Plan for State Board of Education Rules (Approved November 2016, Revised January 2019)

Texas Government Code, §2001.039, requires a four-year rule review cycle for all state agency rules, including State Board of Education rules. The rule review is designed to ensure that the reason for adopting or readopting the rule continues to exist. It only includes rules currently in effect at the time the plan is adopted.

Texas Education Code, §28.002(m), exempts the Texas Essential Knowledge and Skills (TEKS) from the rule review requirement; accordingly, this rule review plan does not include the rule chapters for the TEKS. Although the rules will not be reviewed as part of the rule review process, the SBOE conducts a review of the TEKS on a schedule determined by the SBOE. This review is designed to align the adoption of instructional materials with the amendments to the TEKS.

Review Period: September 2017 - August 2018			
Chapter Title	Subchapter Title	Topic	Begin Review
Chapter 74. Curriculum Requirements	<i>Subchapter A. Required Curriculum</i>	Curriculum	September 2017
	<i>Subchapter B. Graduation Requirements</i>		
	<i>Subchapter C. Other Provisions</i>		
	<i>Subchapter D. Graduation Requirements, Beginning with School Year 2001-2002</i>		
	<i>Subchapter E. Graduation Requirements, Beginning with School Year 2004-2005</i>		
	<i>Subchapter F. Graduation Requirements, Beginning with School Year 2007-2008</i>		
	<i>Subchapter G. Graduation Requirements, Beginning with School Year 2012-2013</i>		
Chapter 105. Foundation School Program	<i>Subchapter A. Definitions</i>	Finance	November 2017
	<i>Subchapter B. Use of State Funds</i>		
Chapter 89. Adaptations for Special Populations	<i>Subchapter A. Gifted/Talented Education</i>	Special Populations	January 2018
	<i>Subchapter C. Texas Certificate of High School Equivalency</i>		
	<i>Subchapter D. Special Education Services and Settings</i>		
Chapter 61. School Districts	<i>Subchapter A. Board of Trustees Relationship</i>	Administration	April 2018

Review Period: September 2018 – August 2019			
Chapter Title	Subchapter Title	Topic	Begin Review
Chapter 157. Hearings and Appeals	<i>Subchapter A. General Provisions for Hearings Before the State Board of Education</i>	Personnel	<u>January 2019</u> [September 2018]
	<i>Subchapter D. Independent Hearing Examiners</i>		
Chapter 129. Student Attendance	<i>Subchapter A. Student Attendance Allowed</i>	Finance	January 2019
	<i>Subchapter B. Student Attendance Accounting</i>		

Review Period: September 2019 – August 2020			
Chapter Title	Subchapter Title	Topic	Begin Review
Chapter 33. Statement of Investment Objectives, Policies, and Guidelines of the Texas Permanent School Fund	<i>Subchapter A. State Board of Education Rules</i>	Finance	September 2019
Chapter 66. State Adoption and Distribution of Instructional Materials	<i>Subchapter A. General Provisions</i>	Instructional Materials	November 2019
	<i>Subchapter B. State Adoption of Instructional Materials</i>		
	<i>Subchapter C. Local Operations</i>		
Chapter 100. Charters	<i>Subchapter A. Open-Enrollment Charter Schools</i>	Charter Schools	January 2020
	<i>Subchapter B. Home-Rule School District Charters</i>		

Review Period: September 2020 – August 2021			
Chapter Title	Subchapter Title	Topic	Begin Review
Chapter 30. Administration	<i>Subchapter A. State Board of Education: General Provisions</i>	Administration	November 2020
	<i>Subchapter B. State Board of Education: Purchasing and Contracts</i>		
Chapter 101. Assessment	<i>Subchapter A. General Provisions</i>	Assessment	January 2021
	<i>Subchapter B. Implementation of Assessments</i>		
	<i>Subchapter C. Local Option</i>		
Chapter 109. Budgeting, Accounting, and Auditing	<i>Subchapter A. Budgeting, Accounting, Financial Reporting, and Auditing for School Districts</i>	Finance	January 2021
	<i>Subchapter B. Texas Education Agency Audit Functions</i>		
	<i>Subchapter C. Adoptions by Reference</i>		
	<i>Subchapter D. Uniform Bank Bid or Request for Proposal and Depository Contract</i>		

SAMPLES

Attachment II

Notice of Proposed Review (Intention to review)

The State Board of Education (SBOE) proposes the review of 19 TAC Chapter 129, Student Attendance, pursuant to the Texas Government Code, §2001.039. The rules being reviewed by the SBOE in 19 TAC Chapter 129 are organized under the following subchapters: Subchapter A, Student Attendance Allowed, and Subchapter B, Student Attendance Accounting.

As required by the Texas Government Code, §2001.039, the SBOE will accept comments as to whether the reasons for adopting 19 TAC Chapter 129, Subchapters A and B, continue to exist. The comment period begins with the publication of this notice and must last a minimum of 30 days.

Comments or questions regarding this rule review may be submitted to Cristina De La Fuente-Valadez, Rulemaking, Texas Education Agency, 1701 North Congress Avenue, Austin, Texas 78701-1494. Comments may also be submitted electronically to rules@tea.texas.gov.

Notice of Adopted Review (with no changes to rule) (Readoption)

The State Board of Education (SBOE) adopts the review of 19 TAC Chapter 129, Student Attendance, Subchapter A, Student Attendance Allowed, and Subchapter B, Student Attendance Accounting, pursuant to the Texas Government Code, §2001.039. The SBOE proposed the review of 19 TAC Chapter 129, Subchapters A and B, in the February 12, 2016 issue of the Texas Register (41 TexReg 1131).

The SBOE finds that the reasons for adopting 19 TAC Chapter 129, Subchapters A and B, continue to exist and readopts the rules. The SBOE received no comments related to the review.

No changes are necessary as a result of the review.

Notice of Adopted Review (with changes to rule) (Readoption with changes)

The State Board of Education (SBOE) adopts the review of 19 TAC Chapter 129, Student Attendance, Subchapter A, Student Attendance Allowed, and Subchapter B, Student Attendance Accounting, pursuant to the Texas Government Code, §2001.039. The SBOE proposed the review of 19 TAC Chapter 129, Subchapters A and B, in the February 12, 2016 issue of the Texas Register (41 TexReg 1131).

The SBOE finds that the reasons for adopting 19 TAC Chapter 129, Subchapters A and B, continue to exist and readopts the rules. The SBOE received no comments related to the review. As part of the review, the SBOE is proposing an amendment to 19 TAC §129.21, which may be found in the Proposed Rules section of this *Texas Register* issue.

STATUTORY AUTHORITY REFERENCE SECTION:

TEXAS CONSTITUTION ARTICLE VII

TEXAS EDUCATION CODE (TEC)

TEXAS GOVERNMENT CODE (TGC)

TEXAS OCCUPATIONS CODE (TOC)

NATURAL RESOURCES CODE (NRC)

THE TEXAS CONSTITUTION
ARTICLE 7. EDUCATION
SECTION 2

Sec. 2. PERMANENT SCHOOL FUND.

All funds, lands and other property heretofore set apart and appropriated for the support of public schools; all the alternate sections of land reserved by the State out of grants heretofore made or that may hereafter be made to railroads or other corporations of any nature whatsoever; one half of the public domain of the State; and all sums of money that may come to the State from the sale of any portion of the same, shall constitute a permanent school fund.

Sec. 2A. RELEASE OF STATE CLAIM TO CERTAIN LANDS AND MINERALS WITHIN SHELBY, FRAZIER, AND MCCORMICK LEAGUE AND IN BASTROP COUNTY.

- (a) The State of Texas hereby relinquishes and releases any claim of sovereign ownership or title to an undivided one-third interest in and to the lands and minerals within the Shelby, Frazier, and McCormick League (now located in Fort Bend and Austin counties) arising out of the interest in that league originally granted under the Mexican Colonization Law of 1823 to John McCormick on or about July 24, 1824, and subsequently voided by the governing body of Austin's Original Colony on or about December 15, 1830.
- (b) The State of Texas relinquishes and releases any claim of sovereign ownership or title to an interest in and to the lands, excluding the minerals, in Tracts 2-5, 13, 15-17, 19-20, 23-26, 29-32, and 34-37, in the A. P. Nance Survey, Bastrop County, as said tracts are:
 - (1) shown on Bastrop County Rolled Sketch No. 4, recorded in the General Land Office on December 15, 1999; and
 - (2) further described by the field notes prepared by a licensed state land surveyor of Travis County in September through November 1999 and May 2000.
- (c) Title to such interest in the lands and minerals described by Subsection (a) is confirmed to the owners of the remaining interests in such lands and minerals. Title to the lands, excluding the minerals, described by Subsection (b) is confirmed to the holder of record title to each tract. Any outstanding land award or land payment obligation owed to the state for lands described by Subsection (b) is canceled, and any funds previously paid related to an outstanding land award or land payment obligation may not be refunded.
- (d) The General Land Office shall issue a patent to the holder of record title to each tract described by Subsection (b). The patent shall be issued in the same manner as other patents except that no filing fee or patent fee may be required.
- (e) A patent issued under Subsection (d) shall include a provision reserving all mineral interest in the land to the state.
- (f) This section is self-executing.

Sec. 2B. AUTHORITY TO RELEASE STATE'S INTEREST IN CERTAIN PERMANENT SCHOOL FUND LAND HELD BY PERSON UNDER COLOR OF TITLE.

- (a) The legislature by law may provide for the release of all or part of the state's interest in land, excluding mineral rights, if:
 - (1) the land is surveyed, unsold, permanent school fund land according to the records of the General Land Office;
 - (2) the land is not patentable under the law in effect before January 1, 2002; and
 - (3) the person claiming title to the land:

THE TEXAS CONSTITUTION
ARTICLE 7. EDUCATION
SECTION 2

- (A) holds the land under color of title;
 - (B) holds the land under a chain of title that originated on or before January 1, 1952;
 - (C) acquired the land without actual knowledge that title to the land was vested in the State of Texas;
 - (D) has a deed to the land recorded in the appropriate county; and
 - (E) has paid all taxes assessed on the land and any interest and penalties associated with any period of tax delinquency.
- (b) This section does not apply to:
- (1) beach land, submerged or filled land, or islands; or
 - (2) land that has been determined to be state-owned by judicial decree.
- (c) This section may not be used to:
- (1) resolve boundary disputes; or
 - (2) change the mineral reservation in an existing patent.

Sec. 2C. RELEASE OF STATE CLAIM TO CERTAIN LANDS IN UPSHUR AND SMITH COUNTIES.

- (a) Except as provided by Subsection (b) of this section, the State of Texas relinquishes and releases any claim of sovereign ownership or title to an interest in and to the tracts of land, including mineral rights, described as follows:

Tract 1:

The first tract of land is situated in Upshur County, Texas, about 14 miles South 30 degrees east from Gilmer, the county seat, and is bounded as follows: Bound on the North by the J. Manning Survey, A-314 the S.W. Beasley Survey A-66 and the David Meredith Survey A-315 and bound on the East by the M. Mann Survey, A-302 and by the M. Chandler Survey, A-84 and bound on the South by the G. W. Hooper Survey, A-657 and by the D. Ferguson Survey, A-158 and bound on the West by the J. R. Wadkins Survey, A-562 and the H. Alsup Survey, A-20, and by the W. Bratton Survey, A-57 and the G. H. Burroughs Survey, A-30 and the M. Tidwell Survey, A-498 of Upshur County, Texas.

Tract 2:

The second tract of land is situated in Smith County, Texas, north of Tyler and is bounded as follows: on the north and west by the S. Leeper A-559, the Frost Thorn Four League Grant A-3, A-9, A-7, A-19, and the H. Jacobs A-504 and on the south and east by the following surveys: John Carver A-247, A. Loverly A-609, J. Gimble A-408, R. Conner A-239, N.J. Blythe A-88, N.J. Blythe A-89, J. Choate A-195, Daniel Minor A-644, William Keys A-527, James H. Thomas A-971, Seaborn Smith A-899, and Samuel Leeper A-559.

- (b) This section does not apply to:
- (1) any public right-of-way, including a public road right-of-way, or related interest owned by a governmental entity;
 - (2) any navigable waterway or related interest owned by a governmental entity; or
 - (3) any land owned by a governmental entity and reserved for public use, including a park, recreation area, wildlife area, scientific area, or historic site.
- (c) This section is self-executing.

THE TEXAS CONSTITUTION
ARTICLE 7. EDUCATION
SECTION 5

Sec. 5. PERMANENT SCHOOL FUND AND AVAILABLE SCHOOL FUND: COMPOSITION, MANAGEMENT, USE, AND DISTRIBUTION.

- (a) The permanent school fund consists of all land appropriated for public schools by this constitution or the other laws of this state, other properties belonging to the permanent school fund, and all revenue derived from the land or other properties. The available school fund consists of the distributions made to it from the total return on all investment assets of the permanent school fund, the taxes authorized by this constitution or general law to be part of the available school fund, and appropriations made to the available school fund by the legislature. The total amount distributed from the permanent school fund to the available school fund:
- (1) in each year of a state fiscal biennium must be an amount that is not more than six percent of the average of the market value of the permanent school fund, excluding real property belonging to the fund that is managed, sold, or acquired under Section 4 of this article, but including discretionary real assets investments and cash in the state treasury derived from property belonging to the fund, on the last day of each of the 16 state fiscal quarters preceding the regular session of the legislature that begins before that state fiscal biennium, in accordance with the rate adopted by:
- (A) a vote of two-thirds of the total membership of the State Board of Education, taken before the regular session of the legislature convenes; or
- (B) the legislature by general law or appropriation, if the State Board of Education does not adopt a rate as provided by Paragraph (A) of this subdivision; and
- (2) over the 10-year period consisting of the current state fiscal year and the nine preceding state fiscal years may not exceed the total return on all investment assets of the permanent school fund over the same 10-year period.
- (b) The expenses of managing permanent school fund land and investments shall be paid by appropriation from the permanent school fund.
- (c) The available school fund shall be applied annually to the support of the public free schools. Except as provided by this section, the legislature may not enact a law appropriating any part of the permanent school fund or available school fund to any other purpose. The permanent school fund and the available school fund may not be appropriated to or used for the support of any sectarian school. The available school fund shall be distributed to the several counties according to their scholastic population and applied in the manner provided by law.

- (d) The legislature by law may provide for using the permanent school fund to guarantee bonds issued by school districts or by the state for the purpose of making loans to or purchasing the bonds of school districts for the purpose of acquisition, construction, or improvement of instructional facilities including all furnishings thereto. If any payment is required to be made by the permanent school fund as a result of its guarantee of bonds issued by the state, an amount equal to this payment shall be immediately paid by the state from the treasury to the permanent school fund. An amount owed by the state to the permanent school fund under this section shall be a general obligation of the state until paid. The amount of bonds authorized hereunder shall not exceed \$750 million or a higher amount authorized by a two-thirds record vote of both houses of the legislature. If the proceeds of bonds issued by the state are used to provide a loan to a school district and the district becomes delinquent on the loan payments, the amount of the delinquent payments shall be offset against state aid to which the district is otherwise entitled.
- (e) The legislature may appropriate part of the available school fund for administration of a bond guarantee program established under this section.
- (f) Notwithstanding any other provision of this constitution, in managing the assets of the permanent school fund, the State Board of Education may acquire, exchange, sell, supervise, manage, or retain, through procedures and subject to restrictions it establishes and in amounts it considers appropriate, any kind of investment, including investments in the Texas growth fund created by Article XVI, Section [70](#), of this constitution, that persons of ordinary prudence, discretion, and intelligence, exercising the judgment and care under the circumstances then prevailing, acquire or retain for their own account in the management of their affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital.
- (g) Notwithstanding any other provision of this constitution or of a statute, the State Board of Education, the General Land Office, or another entity that has responsibility for the management of revenues derived from permanent school fund land or other properties may, in its sole discretion and in addition to other distributions authorized under this constitution or a statute, distribute to the available school fund each year revenue derived during that year from the land or properties, not to exceed \$600 million by each entity each year.

(Amended Aug. 11, 1891, and Nov. 3, 1964; Subsec. (a) amended and (b) and (c) added Nov. 8, 1983; Subsec. (d) added Nov. 8, 1988; Subsec. (b) amended Nov. 7, 1989; Subsec. (a) amended, a new (b) added, a portion of (a) redesignated as (c), former (b) and (c) amended, former (b)-(d) redesignated as (d)-(f), and (g) and (h) added Sept. 13, 2003; former Subsec. (g) and Subsec. (h) expired Dec. 1, 2006; Subsec. (a) amended and current Subsec. (g) added Nov. 8, 2011; Subsec. (g) amended Nov. 5, 2019.)

NATURAL RESOURCES CODE
TITLE 2. PUBLIC DOMAIN
SUBTITLE D. DISPOSITION OF THE PUBLIC DOMAIN
CHAPTER 51. LAND, TIMBER, AND SURFACE RESOURCES
SUBCHAPTER I. ACQUISITION OF PUBLIC SCHOOL LAND

NRC, §51.414. PERMANENT SCHOOL FUND LIQUID ACCOUNT.

- (a) The permanent school fund liquid account is established as an account in the permanent school fund in the State Treasury to be used by the board and the State Board of Education as provided by this section.
- (b) Each quarter, the board shall hold a meeting and adopt a resolution to release from the real estate special fund account funds designated under Section [51.401](#) that are not being used for a purpose listed in Section [51.402](#)(a) and are not required for the board's anticipated cash needs for the 90-day period following the date of the meeting, to be deposited to the credit of the permanent school fund liquid account in the State Treasury.
- (c) The State Board of Education may invest funds in the permanent school fund liquid account. The investments may be made only in liquid assets, in the same manner that the permanent school fund is managed by the State Board of Education.
- (d) Investment income and realized capital gains derived from funds in the permanent school fund liquid account shall be deposited in the State Treasury to the credit of the State Board of Education for investment in the permanent school fund. This subsection does not require a deposit if the market value of the assets held in the permanent school fund liquid account is below cost.
- (e) The State Board of Education may use funds in the permanent school fund liquid account to pay for administrative costs associated with implementing this section, including costs associated with contracts for professional investment management, investment advisory services, or custodial services.
- (f) The board shall provide to the State Board of Education in each quarterly report required by Section [32.068](#) the board's anticipated cash needs for the six-month period following the date of the report, to allow the State Board of Education to ensure that the board's cash needs may be met as provided by Subsection (g).
- (g) Not later than the fifth business day after the date of a request of the board, the State Board of Education shall release from the permanent school fund liquid account funds to be deposited to the credit of the real estate special fund account in the State Treasury in an amount requested by the board.

Added by Acts 2019, 86th Leg., R.S., Ch. 493 (H.B. [4388](#)), Sec. 4, eff. September 1, 2019.

TEXAS EDUCATION CODE
CHAPTER 7. STATE ORGANIZATION
SUBCHAPTER C. COMMISSIONER OF EDUCATION

TEC, §7.055. COMMISSIONER OF EDUCATION POWERS AND DUTIES.

- (a) The commissioner has the powers and duties provided by Subsection (b).
- (b)
 - (1) The commissioner shall serve as the educational leader of the state.
 - (2) The commissioner shall serve as executive officer of the agency and as executive secretary of the board.
 - (3) The commissioner shall carry out the duties imposed on the commissioner by the board or the legislature.
 - (4) The commissioner shall prescribe a uniform system of forms, reports, and records necessary to fulfill the reporting and recordkeeping requirements of this title.
 - (5) The commissioner may delegate ministerial and executive functions to agency staff and may employ division heads and any other employees and clerks to perform the duties of the agency.
 - (6) The commissioner shall adopt an annual budget for operating the Foundation School Program as prescribed by Subsection (c).
 - (7) The commissioner may issue vouchers for the expenditures of the agency and shall examine and must approve any account to be paid out of the school funds before the comptroller may issue a warrant.
 - (8) Repealed by Acts 2011, 82nd Leg., R.S., Ch. 1083, Sec. 25(7), eff. June 17, 2011.
 - (9) The commissioner shall have a manual published at least once every two years that contains Title 1 and this title, any other provisions of this code relating specifically to public primary or secondary education, and an appendix of all other state laws relating to public primary or secondary education and shall provide for the distribution of the manual as determined by the board.
 - (10) The commissioner may visit different areas of this state, address teachers' associations and educational gatherings, instruct teachers, and promote all aspects of education and may be reimbursed for necessary travel expenses incurred under this subdivision to the extent authorized by the General Appropriations Act.
 - (11) The commissioner may appoint advisory committees, in accordance with Chapter 2110, Government Code, as necessary to advise the commissioner in carrying out the duties and mission of the agency.
 - (12) The commissioner shall appoint an agency auditor.
 - (13) The commissioner may provide for reductions in the number of agency employees.
 - (14) The commissioner shall carry out duties relating to the investment capital fund under Section 7.024.
 - (15) The commissioner shall review and act, if necessary, on applications for waivers under Section 7.056.
 - (16) The commissioner shall carry out duties relating to regional education service centers as specified under Chapter 8.
 - (17) The commissioner shall distribute funds to open-enrollment charter schools as required under Subchapter D, Chapter 12.

- (18) The commissioner shall adopt a recommended appraisal process and criteria on which to appraise the performance of teachers, a recommended appraisal process and criteria on which to appraise the performance of administrators, and a job description and evaluation form for use in evaluating school counselors, as provided by Subchapter H, Chapter 21.
- (19) The commissioner shall coordinate and implement teacher recruitment programs under Section 21.004.
- (20) The commissioner shall perform duties in connection with the certification and assignment of hearing examiners as provided by Subchapter F, Chapter 21.
- (21) The commissioner shall carry out duties under the Texas Advanced Placement Incentive Program under Subchapter C, Chapter 28.
- (22) The commissioner may adopt rules for optional extended year programs under Section 29.082.
- (23) The commissioner shall monitor and evaluate prekindergarten programs and other child-care programs as required under Section 29.154.
- (24) The commissioner, with the approval of the board, shall develop and implement a plan for the coordination of services to children with disabilities as required under Section 30.001.
- (25) The commissioner shall develop a system to distribute to school districts or regional education service centers a special supplemental allowance for students with visual impairments as required under Section 30.002.
- (26) The commissioner, with the assistance of the comptroller, shall determine amounts to be distributed to the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf as provided by Section 30.003 and to the Texas Juvenile Justice Department as provided by Section 30.102.
- (27) The commissioner shall establish a procedure for resolution of disputes between a school district and the Texas School for the Blind and Visually Impaired under Section 30.021.
- (28) The commissioner shall perform duties relating to the funding, adoption, and purchase of instructional materials under Chapter 31.
- (29) The commissioner may enter into contracts concerning technology in the public school system as authorized under Chapter 32.
- (30) The commissioner shall adopt a recommended contract form for the use, acquisition, or lease with option to purchase of school buses under Section 34.009.
- (31) The commissioner shall ensure that the cost of using school buses for a purpose other than the transportation of students to or from school is properly identified in the Public 18 Education Information Management System (PEIMS) under Section 34.010.
- (32) The commissioner shall perform duties in connection with the public school accountability system as prescribed by Chapters 39 and 39A.
- (33) Repealed by Acts 1999, 76th Leg., ch. 397, Sec. 8, eff. Sept. 1, 1999.
- (34) The commissioner shall perform duties in connection with the equalized wealth level under Chapter 41.
- (35) The commissioner shall perform duties in connection with the Foundation School Program as prescribed by Chapter 42.

- (36) The commissioner shall establish advisory guidelines relating to the fiscal management of a school district and report annually to the board on the status of school district fiscal management as required under Section 44.001.
 - (37) The commissioner shall review school district audit reports as required under Section 44.008.
 - (38) The commissioner shall perform duties in connection with the guaranteed bond program as prescribed by Subchapter C, Chapter 45.
 - (39) The commissioner shall cooperate with the Texas Higher Education Coordinating Board in connection with the Texas partnership and scholarship program under Subchapter Q, Chapter 61.
 - (40) The commissioner shall suspend the certificate of an educator or permit of a teacher who violates Chapter 617, Government Code.
 - (41) The commissioner shall adopt rules relating to extracurricular activities under Section 33.081 and approve or disapprove University Interscholastic League rules and procedures under Section 33.083.
- (c) The budget the commissioner adopts under Subsection (b) for operating the Foundation School Program must be in accordance with legislative appropriations and provide funds for the administration and operation of the agency and any other necessary expense. The budget must designate any expense of operating the agency or operating a program for which the board has 19 responsibility that is paid from the Foundation School Program. The budget must designate program expenses that may be paid out of the foundation school fund, other state funds, fees, federal funds, or funds earned under interagency contract. Before adopting the budget, the commissioner must submit the budget to the board for review and, after receiving any comments of the board, present the operating budget to the governor and the Legislative Budget Board. The commissioner shall provide appropriate information on proposed budget expenditures to the comptroller to assure that all payments are paid from the appropriate funds in a timely and efficient manner.

TEXAS EDUCATION CODE
CHAPTER 7. STATE ORGANIZATION
SUBCHAPTER D. STATE BOARD OF EDUCATION

TEC, §7.102. STATE BOARD OF EDUCATION POWERS AND DUTIES.

- (a) The board may perform only those duties relating to school districts or regional education service centers assigned to the board by the constitution of this state or by this subchapter or another provision of this code.
- (b) The board has the powers and duties provided by Subsection (c), which shall be carried out with the advice and assistance of the commissioner.
- (c)
 - (1) The board shall develop and update a long-range plan for public education.
 - (2) The board may enter into contracts relating to or accept grants for the improvement of educational programs specifically authorized by statute.
 - (3) The board may accept a gift, donation, or other contribution on behalf of the public school system or agency and, unless otherwise specified by the donor, may use the contribution in the manner the board determines.
 - (4) The board shall establish curriculum and graduation requirements.
 - ~~(5) The board shall establish a standard of performance considered satisfactory on student assessment instruments.~~
 - (6) The board may create special-purpose school districts under Chapter [11](#).
 - (7) The board shall provide for a training course for school district trustees under Section [11.159](#).
 - (8) The board shall adopt a procedure to be used for placing on probation or revoking a home-rule school district charter as required by Subchapter B, Chapter [12](#), and may place on probation or revoke a home-rule school district charter as provided by that subchapter.
 - ~~(9) The board may grant an open enrollment charter or approve a charter revision as provided by Subchapter D, Chapter [12](#).~~
 - (10) The board shall adopt rules establishing criteria for certifying hearing examiners as provided by Section [21.252](#).
 - (11) The board shall adopt rules to carry out the curriculum required or authorized under Section [28.002](#).
 - (12) The board shall establish guidelines for credit by examination under Section [28.023](#).
 - (13) The board shall adopt transcript forms and standards for differentiating high school programs for purposes of reporting academic achievement under Section [28.025](#).
 - (14) The board shall adopt guidelines for determining financial need for purposes of the Texas Advanced Placement Incentive Program under Subchapter C, Chapter [28](#), and may approve payments as provided by that subchapter.
 - (15) The board shall adopt criteria for identifying gifted and talented students and shall develop and update a state plan for the education of gifted and talented students as required under Subchapter D, Chapter [29](#).
 - (16) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 73, Sec. 2.06(a)(1), eff. September 1, 2013.
 - (17) The board shall adopt rules relating to community education development projects as required under Section [29.257](#).
 - (18) The board may approve the plan to be developed and implemented by the commissioner for the coordination of services to children with disabilities as required under Section [30.001](#).
 - (19) The board shall establish a date by which each school district and state institution shall provide to the commissioner the necessary information to determine the district's share of the cost of the education of a student enrolled in the Texas School for the Blind and Visually Impaired or the Texas School for the Deaf as required under Section [30.003](#) and may adopt other rules concerning funding of the education of students enrolled in the Texas School for the Blind and Visually Impaired or the Texas School for the Deaf as authorized under Section [30.003](#).
 - (20) The board shall adopt rules prescribing the form and content of information school districts are required to provide concerning programs offered by state institutions as required under Section [30.004](#).
 - (21) The board shall adopt rules concerning admission of students to the Texas School for the Deaf as required under Section [30.057](#).

- (22) The board shall carry out powers and duties related to regional day school programs for the deaf as provided under Subchapter D, Chapter [30](#).
 - (23) The board shall adopt and purchase or license instructional materials as provided by Chapter [31](#) and adopt rules required by that chapter.
 - (24) The board shall develop and update a long-range plan concerning technology in the public school system as required under Section [32.001](#) and shall adopt rules and policies concerning technology in public schools as provided by Chapter [32](#).
 - (25) The board shall conduct feasibility studies related to the telecommunications capabilities of school districts and regional education service centers as provided by Section [32.033](#).
 - (26) The board shall appoint a board of directors of the center for educational technology under Section [32.034](#).
 - (27) Repealed by Acts 2001, 77th Leg., ch. 1420, Sec. 4.001(b), eff. Sept. 1, 2001.
 - (28) The board shall approve a program for testing students for dyslexia and related disorders as provided by Section [38.003](#).
 - (29) The board shall perform duties in connection with the public school accountability system as prescribed by Chapters [39](#) and [39A](#).
 - (30) The board shall perform duties in connection with the Foundation School Program as prescribed by Chapter [48](#) [42].
 - (31) The board may invest the permanent school fund within the limits of the authority granted by Section [5](#), Article VII, Texas Constitution, and Chapter 43.
 - (32) The board shall adopt rules concerning school district budgets and audits of school district fiscal accounts as required under Subchapter A, Chapter [44](#).
 - (33) The board shall adopt an annual report on the status of the guaranteed bond program and may adopt rules as necessary for the administration of the program as provided under Subchapter C, Chapter [45](#).
 - (34) The board shall prescribe uniform bid blanks for school districts to use in selecting a depository bank as required under Section [45.206](#).
- (d) The board may adopt rules relating to school districts or regional education service centers only as required to carry out the specific duties assigned to the board by the constitution or under Subsection (c).
 - (e) An action of the board to adopt a rule under this section is effective only if the board includes in the rule's preamble a statement of the specific authority under Subsection (c) to adopt the rule.
 - (f) Except as otherwise provided by this subsection, a rule adopted by the board under this section does not take effect until the beginning of the school year that begins at least 90 days after the date on which the rule was adopted. The rule takes effect earlier if the rule's preamble specifies an earlier effective date and the reason for that earlier date and:
 - (1) the earlier effective date is a requirement of:
 - (A) a federal law; or
 - (B) a state law that specifically refers to this section and expressly requires the adoption of an earlier effective date; or
 - (2) on the affirmative vote of two-thirds of the members of the board, the board makes a finding that an earlier effective date is necessary.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE B. STATE AND REGIONAL ORGANIZATION AND GOVERNANCE
CHAPTER 7. STATE ORGANIZATION
SUBCHAPTER D. STATE BOARD OF EDUCATION

TEC, §7.111. HIGH SCHOOL EQUIVALENCY EXAMINATIONS.

- (a) The board shall provide for the administration of high school equivalency examinations.
- (a-1) A person who does not have a high school diploma may take the examination in accordance with rules adopted by the board if the person is:
 - (1) over 17 years of age;
 - (2) 16 years of age or older and:
 - (A) is enrolled in a Job Corps training program under the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.), and its subsequent amendments;
 - (B) a public agency providing supervision of the person or having custody of the person under a court order recommends that the person take the examination; or
 - (C) is enrolled in the Texas Military Department's Seaborne Challenge Corps; or
 - (3) required to take the examination under a court order issued under Section 65.103(a)(3), Family Code.
- (b) The board by rule shall establish and require payment of a fee as a condition to the issuance of a high school equivalency certificate and a copy of the scores of the examinations. The fee must be reasonable and designed to cover the administrative costs of issuing the certificate and a copy of the scores. The board may not require a waiting period between the date a person withdraws from school and the date the person takes the examination unless the period relates to the time between administrations of the examination.
- (c) The board by rule shall develop and deliver high school equivalency examinations and provide for the administration of the examinations online. The rules must provide a procedure for verifying the identity of the person taking the examination.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE C. LOCAL ORGANIZATION AND GOVERNANCE
CHAPTER 11. SCHOOL DISTRICTS
SUBCHAPTER H. SPECIAL-PURPOSE SCHOOL DISTRICTS

TEC, §11.351. AUTHORITY TO ESTABLISH SPECIAL-PURPOSE SCHOOL DISTRICT.

- (a) On the recommendation of the commissioner and after consulting with the school districts involved and obtaining the approval of a majority of those districts in each affected county in which a proposed school district is located, the State Board of Education may establish a special-purpose school district for the education of students in special situations whose educational needs are not adequately met by regular school districts. The board may impose duties or limitations on the school district as necessary for the special purpose of the district. The board shall exercise the powers as provided by this section relating to the districts established under this section.

- (b) The State Board of Education shall grant to the districts the right to share in the available school fund apportionment and other privileges as are granted to independent and common school districts.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE C. LOCAL ORGANIZATION AND GOVERNANCE
CHAPTER 11. SCHOOL DISTRICTS
SUBCHAPTER H. SPECIAL-PURPOSE SCHOOL DISTRICTS

TEC, §11.352. GOVERNANCE OF SPECIAL-PURPOSE DISTRICT.

- (a) The State Board of Education shall appoint for each district established under Section 11.351 a board of three, five, or seven trustees, as determined by the State Board of Education. A trustee is not required to be a resident of the district.
- (b) For each military reservation school district, the State Board of Education may appoint a board of three or five trustees. Enlisted military personnel and military officers may be appointed to the school board. A majority of the trustees appointed for the district must be civilians and all may be civilians. The trustees shall be selected from a list of persons who are qualified to serve as members of a school district board of trustees under Section 11.061 and who live or are employed on the military reservation. The list shall be furnished to the board by the commanding officer of the military reservation. The trustees appointed serve terms of two years.
- (c) The State Board of Education may adopt rules for the governance of a special-purpose district. In the absence of a rule adopted under this subsection, the laws applicable to independent school districts apply to a special-purpose district.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE C. LOCAL ORGANIZATION AND GOVERNANCE
CHAPTER 12. CHARTERS
SUBCHAPTER D. OPEN-ENROLLMENT CHARTER SCHOOL

TEC, §12.101. AUTHORIZATION.

- (a) In accordance with this subchapter, the commissioner may grant a charter on the application of an eligible entity for an open-enrollment charter school to operate in a facility of a commercial or nonprofit entity, an eligible entity, or a school district, including a home-rule school district. In this subsection, "eligible entity" means:
- (1) an institution of higher education as defined under Section [61.003](#);
 - (2) a private or independent institution of higher education as defined under Section [61.003](#);
 - (3) an organization that is exempt from taxation under Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. Section 501(c)(3)); or
 - (4) a governmental entity.
- (b) After thoroughly investigating and evaluating an applicant, the commissioner, in coordination with a member of the State Board of Education designated for the purpose by the chair of the board, may grant a charter for an open-enrollment charter school only to an applicant that meets any financial, governing, educational, and operational standards adopted by the commissioner under this subchapter, that the commissioner determines is capable of carrying out the responsibilities provided by the charter and likely to operate a school of high quality, and that:
- (1) has not within the preceding 10 years had a charter under this chapter or a similar charter issued under the laws of another state surrendered under a settlement agreement, revoked, denied renewal, or returned; or
 - (2) is not, under rules adopted by the commissioner, considered to be a corporate affiliate of or substantially related to an entity that has within the preceding 10 years had a charter under this chapter or a similar charter issued under the laws of another state surrendered under a settlement agreement, revoked, denied renewal, or returned.
- (b-0) The commissioner shall notify the State Board of Education of each charter the commissioner proposes to grant under this subchapter. Unless, before the 90th day after the date on which the board receives the notice from the commissioner, a majority of the members of the board present and voting vote against the grant of that charter, the commissioner's proposal to grant the charter takes effect. The board may not deliberate or vote on any grant of a charter that is not proposed by the commissioner.
- (b-1) In granting charters for open-enrollment charter schools, the commissioner may not grant a total of more than:

- (1) 215 charters through the fiscal year ending August 31, 2014;
 - (2) 225 charters beginning September 1, 2014;
 - (3) 240 charters beginning September 1, 2015;
 - (4) 255 charters beginning September 1, 2016;
 - (5) 270 charters beginning September 1, 2017; and
 - (6) 285 charters beginning September 1, 2018.
- (b-2) Beginning September 1, 2019, the total number of charters for open-enrollment charter schools that may be granted is 305 charters.
- (b-3) The commissioner may not grant more than one charter for an open-enrollment charter school to any charter holder. The commissioner may consolidate charters for an open-enrollment charter school held by multiple charter holders into a single charter held by a single charter holder with the written consent to the terms of consolidation by or at the request of each charter holder affected by the consolidation.
- (b-4) Notwithstanding Section [12.114](#), approval of the commissioner under that section is not required for establishment of a new open-enrollment charter school campus if the requirements of this subsection are satisfied. A charter holder having an accreditation status of accredited and at least 50 percent of its student population in grades assessed under Subchapter B, Chapter [39](#), or at least 50 percent of the students in the grades assessed having been enrolled in the school for at least three school years may establish one or more new campuses under an existing charter held by the charter holder if:
- (1) the charter holder is currently evaluated under the standard accountability procedures for evaluation under Chapter [39](#) and received a district rating in the highest or second highest performance rating category under Subchapter C, Chapter [39](#), for three of the last five years with at least 75 percent of the campuses rated under the charter also receiving a rating in the highest or second highest performance rating category and with no campus with a rating in the lowest performance rating category in the most recent ratings;
 - (2) the charter holder provides written notice to the commissioner of the establishment of any campus under this subsection in the time, manner, and form provided by rule of the commissioner; and
 - (3) not later than the 60th day after the date the charter holder provides written notice under Subdivision (2), the commissioner does not provide written notice to the charter holder that the commissioner has determined that the charter holder does not satisfy the requirements of this section.
- (b-5) The initial term of a charter granted under this section is five years.

- (b-6) The commissioner shall adopt rules to modify criteria for granting a charter for an open-enrollment charter school under this section to the extent necessary to address changes in performance rating categories or in the financial accountability system under Chapter [39](#).
- (b-7) A charter granted under this section for a dropout recovery school is not considered for purposes of the limit on the number of charters for open-enrollment charter schools imposed by this section. For purposes of this subsection, an open-enrollment charter school is considered to be a dropout recovery school if the school meets the criteria for designation as a dropout recovery school under Section [12.1141\(c\)](#).
- (b-8) In adopting any financial standards under this subchapter that an applicant for a charter for an open-enrollment charter school must meet, the commissioner shall not:
 - (1) exclude any loan or line of credit in determining an applicant's available funding; or
 - (2) exclude an applicant from the grant of a charter solely because the applicant fails to demonstrate having a certain amount of current assets in cash.
- (b-10) The commissioner by rule shall allow a charter holder to provide written notice of the establishment of a new open-enrollment charter school under Subsection (b-4)(2) up to 18 months before the date on which the campus is anticipated to open. Notice provided to the commissioner under this section does not obligate the charter holder to open a new campus.
- (c) If the facility to be used for an open-enrollment charter school is a school district facility, the school must be operated in the facility in accordance with the terms established by the board of trustees or other governing body of the district in an agreement governing the relationship between the school and the district.
- (d) An educator employed by a school district before the effective date of a charter for an open-enrollment charter school operated at a school district facility may not be transferred to or employed by the open-enrollment charter school over the educator's objection.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE D. EDUCATORS AND SCHOOL DISTRICT EMPLOYEES AND VOLUNTEERS
CHAPTER 21. EDUCATORS
SUBCHAPTER B. CERTIFICATION OF EDUCATORS

TEC, §21.041. RULES; FEES.

- (a) The board may adopt rules as necessary for its own procedures.
- (b) The board shall propose rules that:
 - (1) provide for the regulation of educators and the general administration of this subchapter in a manner consistent with this subchapter;
 - (2) specify the classes of educator certificates to be issued, including emergency certificates;
 - (3) specify the period for which each class of educator certificate is valid;
 - (4) specify the requirements for the issuance and renewal of an educator certificate;
 - (5) provide for the issuance of an educator certificate to a person who holds a similar certificate issued by another state or foreign country, subject to Section 21.052;
 - (6) provide for special or restricted certification of educators, including certification of instructors of American Sign Language;
 - (7) provide for disciplinary proceedings, including the suspension or revocation of an educator certificate, as provided by Chapter 2001, Government Code;
 - (8) provide for the adoption, amendment, and enforcement of an educator's code of ethics;
 - (9) provide for continuing education requirements; and
 - (10) provide for certification of persons performing appraisals under Subchapter H.
- (c) The board shall propose a rule adopting a fee for the issuance and maintenance of an educator certificate that, when combined with any fees imposed under Subsection (d), is adequate to cover the cost of administration of this subchapter.
- (d) The board may propose a rule adopting a fee for the approval or renewal of approval of an educator preparation program, or for the addition of a certificate or field of certification to the scope of a program's approval. A fee imposed under this subsection may not exceed the amount necessary, as determined by the board, to provide for the administrative cost of approving, renewing the approval of, and appropriately ensuring the accountability of educator preparation programs under this subchapter.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE D. EDUCATORS AND SCHOOL DISTRICT EMPLOYEES AND VOLUNTEERS
CHAPTER 21. EDUCATORS
SUBCHAPTER A. GENERAL PROVISIONS

TEC, §21.044. EDUCATOR PREPARATION.

- (a) The board shall propose rules establishing the training requirements a person must accomplish to obtain a certificate, enter an internship, or enter an induction-year program. The board shall specify the minimum academic qualifications required for a certificate.
- (b) Any minimum academic qualifications for a certificate specified under Subsection (a) that require a person to possess a bachelor's degree must also require that the person receive, as part of the training required to obtain that certificate, instruction in detection and education of students with dyslexia.
- (c) The instruction under Subsection (b) must:
 - (1) be developed by a panel of experts in the diagnosis and treatment of dyslexia who are:
 - (A) employed by institutions of higher education; and
 - (B) approved by the board; and
 - (2) include information on:
 - (A) characteristics of dyslexia;
 - (B) identification of dyslexia; and
 - (C) effective, multisensory strategies for teaching students with dyslexia.
- (c-1) Any minimum academic qualifications for a certificate specified under Subsection (a) that require a person to possess a bachelor's degree must also require that the person receive, as part of the training required to obtain that certificate, instruction regarding mental health, substance abuse, and youth suicide. The instruction required must:
 - 1) be provided through:
 - (A) a program selected from the list of recommended best practice-based programs and research-based practices established under Section 38.351; or
 - (B) a course offered by any accredited public or private postsecondary educational institution as part of a degree program [161.325, Health and Safety Code]; and
 - (2) include effective strategies [~~for teaching and intervening with students with mental or emotional disorders~~], including de-escalation techniques and positive behavioral interventions and supports, for teaching and intervening with students with mental health conditions or who engage in substance abuse.
- (c-2) Any minimum academic qualifications for a certificate specified under Subsection (a) that require a person to possess a bachelor's degree must also require that the person receive, as part of the training required to obtain that certificate, instruction in digital learning, including a digital literacy evaluation followed by a prescribed digital learning curriculum. The instruction required must:
 - (1) be aligned with the International Society for Technology in Education's standards for teachers;
 - (2) provide effective, evidence-based strategies to determine a person's degree of digital literacy; and
 - (3) include resources to address any deficiencies identified by the digital literacy evaluation.
- (d) In proposing rules under this section, the board shall specify that to obtain a certificate to teach an "applied STEM course," as that term is defined by Section [28.027](#), at a secondary school, a person must:

- (1) pass the certification test administered by the recognized national or international business and industry group that created the curriculum the applied STEM course is based on; and
- (2) have at a minimum:
 - (A) an associate degree from an accredited institution of higher education; and
 - (B) three years of work experience in an occupation for which the applied STEM course is intended to prepare the student.
- (e) In proposing rules under this section for a person to obtain a certificate to teach a health science technology education course, the board shall specify that a person must have:
 - (1) an associate degree or more advanced degree from an accredited institution of higher education;
 - (2) current licensure, certification, or registration as a health professions practitioner issued by a nationally recognized accrediting agency for health professionals; and
 - (3) at least two years of wage earning experience utilizing the licensure requirement.
- (f) The board may not propose rules for a certificate to teach a health science technology education course that specify that a person must have a bachelor's degree or that establish any other credential or teaching experience requirements that exceed the requirements under Subsection (e).
- (f-1) Board rules addressing ongoing educator preparation program support for a candidate seeking certification in a certification class other than classroom teacher may not require that an educator preparation program conduct one or more formal observations of the candidate on the candidate's site in a face-to-face setting. The rules must permit each required formal observation to occur on the candidate's site or through use of electronic transmission or other video-based or technology-based method.
- (g) Each educator preparation program must provide information regarding:
 - (1) the skills that educators are required to possess, the responsibilities that educators are required to accept, and the high expectations for students in this state;
 - (2) the effect of supply and demand forces on the educator workforce in this state;
 - (3) the performance over time of the educator preparation program;
 - (4) the importance of building strong classroom management skills;
 - (5) the framework in this state for teacher and principal evaluation, including the procedures followed in accordance with Subchapter H; and
 - (6) appropriate relationships, boundaries, and communications between educators and students.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE D. EDUCATORS AND SCHOOL DISTRICT EMPLOYEES AND VOLUNTEERS
CHAPTER 21. EDUCATORS
SUBCHAPTER B. CERTIFICATION OF EDUCATORS

TEC, §21.048. CERTIFICATION EXAMINATIONS.

- (a) The board shall propose rules prescribing comprehensive examinations for each class of certificate issued by the board. The commissioner shall determine the satisfactory level of performance required for each certification examination. For the issuance of a generalist certificate, the commissioner shall require a satisfactory level of examination performance in each core subject covered by the examination.
- (a-1) The board may not require that more than 45 days elapse before a person may retake an examination. A person may not retake an examination more than four times, unless the board waives the limitation for good cause as prescribed by the board.
- (a-2) The board shall adopt rules that provide that in order to teach any grade level from prekindergarten through grade six a person must demonstrate proficiency in the science of teaching reading on a certification examination for each class of certificate issued by the board after January 1, 2021.
- (b) The board may not administer a written examination to determine the competence or level of performance of an educator who has a hearing impairment unless the examination has been field tested to determine its appropriateness, reliability, and validity as applied to, and minimum acceptable performance scores for, persons with hearing impairments.
- (c) An educator who has a hearing impairment is exempt from taking a written examination for a period ending on the first anniversary of the date on which the board determines, on the basis of appropriate field tests, that the examination complies with the standards specified in Subsection (b). On application to the board, the board shall issue a temporary exemption certificate to a person entitled to an exemption under this subsection.
- (c-1) The results of an examination administered under this section are confidential and are not subject to disclosure under Chapter 552, Government Code, unless the disclosure is regarding notification to a parent of the assignment of an uncertified teacher to a classroom as required by Section 21.057.
- (d) In this section:

- (1) "Hearing impairment" means a hearing impairment so severe that the person cannot process linguistic information with or without amplification.
- (2) "Reliability" means the extent to which an experiment, test, or measuring procedure yields the same results on repeated trials.
- (3) "Validity" means being:
 - (A) well-grounded or justifiable;
 - (B) relevant and meaningful;
 - (C) correctly derived from premises or inferences; and
 - (D) supported by objective truth or generally accepted authority.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE D. EDUCATORS AND SCHOOL DISTRICT EMPLOYEES AND VOLUNTEERS
CHAPTER 21. EDUCATORS
SUBCHAPTER B. CERTIFICATION OF EDUCATORS

TEC, §21.050. ACADEMIC DEGREE REQUIRED FOR TEACHING CERTIFICATE; FIELD-BASED EXPERIENCE OR INTERNSHIP.

- (a) A person who applies for a teaching certificate for which board rules require a bachelor's degree must possess a bachelor's degree received with an academic major or interdisciplinary academic major, including reading, ~~[other than education]~~, that is related to the curriculum as prescribed under Subchapter A, Chapter 28.
- (b) ~~[The board may not require more than 18 semester credit hours of education courses at the baccalaureate level for the granting of a teaching certificate.]~~ The board shall provide for a minimum number of semester credit hours of field-based experience or internship to be included in the credit hours needed for certification. The board may propose rules requiring additional credit hours for certification in bilingual education, English as a second language, early childhood education, or special education.
- (c) A person who receives a bachelor's degree required for a teaching certificate on the basis of higher education coursework completed while receiving an exemption from tuition and fees under Section 54.363 may not be required to participate in any field experience or internship consisting of student teaching to receive a teaching certificate.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE D. EDUCATORS AND SCHOOL DISTRICT EMPLOYEES AND VOLUNTEERS
CHAPTER 22. SCHOOL DISTRICT EMPLOYEES AND VOLUNTEERS
SUBCHAPTER C. CRIMINAL HISTORY RECORDS

**TEC, §22.082. ACCESS TO CRIMINAL HISTORY RECORDS BY STATE BOARD FOR
EDUCATOR CERTIFICATION.**

The State Board for Educator Certification shall subscribe to the criminal history clearinghouse as provided by Section [411.0845](#), Government Code, and may obtain from any law enforcement or criminal justice agency all criminal history record information and all records contained in any closed criminal investigation file that relate to a specific applicant for or holder of a certificate issued under Subchapter B, Chapter [21](#).

TEXAS EDUCATION CODE
CHAPTER 28. COURSES OF STUDY; ADVANCEMENT
SUBCHAPTER A. ESSENTIAL KNOWLEDGE AND SKILLS; CURRICULUM

TEC, §28.002. REQUIRED CURRICULUM.

- (a) Each school district that offers kindergarten through grade 12 shall offer, as a required curriculum:
- (1) a foundation curriculum that includes:
 - (A) English language arts;
 - (B) mathematics;
 - (C) science; and
 - (D) social studies, consisting of Texas, United States, and world history, government, economics, with emphasis on the free enterprise system and its benefits, and geography; and
 - (2) an enrichment curriculum that includes:
 - (A) to the extent possible, languages other than English;
 - (B) health, with emphasis on: ~~the importance of proper nutrition and exercise;~~
 - (i) physical health, including the importance of proper nutrition and exercise;
 - (ii) mental health, including instruction about mental health conditions, substance abuse, skills to manage emotions, establishing and maintaining positive relationships, and responsible decision-making; and
 - (iii) suicide prevention, including recognizing suicide-related risk factors and warning signs;
 - (C) physical education;
 - (D) fine arts;
 - (E) career and technology education;
 - (F) technology applications;
 - (G) religious literature, including the Hebrew Scriptures (Old Testament) and New Testament, and its impact on history and literature; and
 - (H) personal financial literacy.
- (b) The State Board of Education by rule shall designate subjects constituting a well-balanced curriculum to be offered by a school district that does not offer kindergarten through grade 12.
- (b-1) In this section, "common core state standards" means the national curriculum standards developed by the Common Core State Standards Initiative.
- (b-2) The State Board of Education may not adopt common core state standards to comply with a duty imposed under this chapter.
- (b-3) A school district may not use common core state standards to comply with the requirement to provide instruction in the essential knowledge and skills at appropriate grade levels under Subsection (c).
- (b-4) Notwithstanding any other provision of this code, a school district or open-enrollment charter school may not be required to offer any aspect of a common core state standards curriculum.
- (c) The State Board of Education, with the direct participation of educators, parents, business and industry representatives, and employers shall by rule identify the essential knowledge and skills of each subject of the required curriculum that all students should be able to demonstrate and that will be used in evaluating instructional materials under Chapter [31](#) and addressed on the assessment instruments required under Subchapter B, Chapter [39](#). As a condition of accreditation, the board shall require each district to provide instruction in the essential knowledge and skills at appropriate grade levels and to make available to each high school student in the district an Algebra II course.

- (c-1) The State Board of Education shall adopt rules requiring students enrolled in grade levels six, seven, and eight to complete at least one fine arts course during those grade levels as part of a district's fine arts curriculum.
- (c-2) Each time the Texas Higher Education Coordinating Board revises the Internet database of the coordinating board's official statewide inventory of workforce education courses, the State Board of Education shall by rule revise the essential knowledge and skills of any corresponding career and technology education curriculum as provided by Subsection (c).
- (c-3) In adopting the essential knowledge and skills for the technology applications curriculum for kindergarten through grade eight, the State Board of Education shall adopt essential knowledge and skills that include coding, computer programming, computational thinking, and cybersecurity. The State Board of Education shall review and revise, as needed, the essential knowledge and skills of the technology applications curriculum every five years to ensure the curriculum:
 - (1) is relevant to student education; and
 - (2) aligns with current or emerging professions.
- (d) The physical education curriculum required under Subsection (a)(2)(C) must be sequential, developmentally appropriate, and designed, implemented, and evaluated to enable students to develop the motor, self-management, and other skills, knowledge, attitudes, and confidence necessary to participate in physical activity throughout life. Each school district shall establish specific objectives and goals the district intends to accomplish through the physical education curriculum. In identifying the essential knowledge and skills of physical education, the State Board of Education shall ensure that the curriculum:
 - (1) emphasizes the knowledge and skills capable of being used during a lifetime of regular physical activity;
 - (2) is consistent with national physical education standards for:
 - (A) the information that students should learn about physical activity; and
 - (B) the physical activities that students should be able to perform;
 - (3) requires that, on a weekly basis, at least 50 percent of the physical education class be used for actual student physical activity and that the activity be, to the extent practicable, at a moderate or vigorous level;
 - (4) offers students an opportunity to choose among many types of physical activity in which to participate;
 - (5) offers students both cooperative and competitive games;
 - (6) meets the needs of students of all physical ability levels, including students who have a chronic health problem, disability, including a student who is a person with a disability described under Section [29.003\(b\)](#) or criteria developed by the agency in accordance with that section, or other special need that precludes the student from participating in regular physical education instruction but who might be able to participate in physical education that is suitably adapted and, if applicable, included in the student's individualized education program;
 - (7) takes into account the effect that gender and cultural differences might have on the degree of student interest in physical activity or on the types of physical activity in which a student is interested;
 - (8) teaches self-management and movement skills;
 - (9) teaches cooperation, fair play, and responsible participation in physical activity;
 - (10) promotes student participation in physical activity outside of school; and
 - (11) allows physical education classes to be an enjoyable experience for students.

- (e) American Sign Language is a language for purposes of Subsection (a)(2)(A). A public school may offer an elective course in the language.
- (f) A school district may offer courses for local credit in addition to those in the required curriculum. The State Board of Education shall:
 - (1) be flexible in approving a course for credit for high school graduation under this subsection; and
 - (2) approve courses in cybersecurity for credit for high school graduation under this subsection.
- (g) A local instructional plan may draw on state curriculum frameworks and program standards as appropriate. Each district is encouraged to exceed minimum requirements of law and State Board of Education rule. Each district shall ensure that all children in the district participate actively in a balanced curriculum designed to meet individual needs. Before the adoption of a major curriculum initiative, including the use of a curriculum management system, a district must use a process that:
 - (1) includes teacher input;
 - (2) provides district employees with the opportunity to express opinions regarding the initiative; and
 - (3) includes a meeting of the board of trustees of the district at which:
 - (A) information regarding the initiative is presented, including the cost of the initiative and any alternatives that were considered; and
 - (B) members of the public and district employees are given the opportunity to comment regarding the initiative.
- (g-1) A district may also offer a course or other activity, including an apprenticeship or training hours needed to obtain an industry-recognized credential or certificate, that is approved by the board of trustees for credit without obtaining State Board of Education approval if:
 - (1) the district develops a program under which the district partners with a public or private institution of higher education and local business, labor, and community leaders to develop and provide the courses; and
 - (2) the course or other activity allows students to enter:
 - (A) a career or technology training program in the district's region of the state;
 - (B) an institution of higher education without remediation;
 - (C) an apprenticeship training program; or
 - (D) an internship required as part of accreditation toward an industry-recognized credential or certificate for course credit.
- (g-2) Each school district shall annually report to the agency the names of the courses, programs, institutions of higher education, and internships in which the district's students have enrolled under Subsection (g-1) and the names of the courses and institutions of higher education in which the district's students have enrolled under Subsection (g-3). The agency shall make available information provided under this subsection to other districts.
- (g-3) A district may also offer a course in cybersecurity that is approved by the board of trustees for credit without obtaining State Board of Education approval if the district partners with a public or private institution of higher education that offers an undergraduate degree program in cybersecurity to develop and provide the course.
- (h) The State Board of Education and each school district shall foster the continuation of the tradition of teaching United States and Texas history and the free enterprise system in regular subject matter and in reading courses and in the adoption of instructional materials. A primary purpose of the public school curriculum is to prepare thoughtful, active citizens who understand the importance of patriotism and can function productively in a free enterprise society with appreciation for the basic democratic values of our state and national heritage.

- (i) The State Board of Education shall adopt rules for the implementation of this subchapter. Except as provided by Subsection (j), the board may not adopt rules that designate the methodology used by a teacher or the time spent by a teacher or a student on a particular task or subject.
- (j) The State Board of Education by rule may require laboratory instruction in secondary science courses and may require a specific amount or percentage of time in a secondary science course that must be laboratory instruction.
- (k) The State Board of Education, in consultation with the Department of State Health Services and the Texas Diabetes Council, shall develop a diabetes education program that a school district may use in the health curriculum under Subsection (a)(2)(B).
- (l) A school district shall require a student enrolled in full-day prekindergarten, in kindergarten, or in a grade level below grade six to participate in moderate or vigorous daily physical activity for at least 30 minutes throughout the school year as part of the district's physical education curriculum or through structured activity during a school campus's daily recess. To the extent practicable, a school district shall require a student enrolled in prekindergarten on less than a full-day basis to participate in the same type and amount of physical activity as a student enrolled in full-day prekindergarten. A school district shall require students enrolled in grade levels six, seven, and eight to participate in moderate or vigorous daily physical activity for at least 30 minutes for at least four semesters during those grade levels as part of the district's physical education curriculum. If a school district determines, for any particular grade level below grade six, that requiring moderate or vigorous daily physical activity is impractical due to scheduling concerns or other factors, the district may as an alternative require a student in that grade level to participate in moderate or vigorous physical activity for at least 135 minutes during each school week. Additionally, a school district may as an alternative require a student enrolled in a grade level for which the district uses block scheduling to participate in moderate or vigorous physical activity for at least 225 minutes during each period of two school weeks. A school district must provide for an exemption for:
 - (1) any student who is unable to participate in the required physical activity because of illness or disability; and
 - (2) a middle school or junior high school student who participates in an extracurricular activity with a moderate or vigorous physical activity component that is considered a structured activity under rules adopted by the commissioner.
- (l-1) In adopting rules relating to an activity described by Subsection (l)(2), the commissioner may permit an exemption for a student who participates in a school-related activity or an activity sponsored by a private league or club only if the student provides proof of participation in the activity.
- (l-2) To encourage school districts to promote physical activity for children through classroom curricula for health and physical education, the agency, in consultation with the Department of State Health Services, shall designate nationally recognized health and physical education program guidelines that a school district may use in the health curriculum under Subsection (a)(2)(B) or the physical education curriculum under Subsection (a)(2)(C).
- (l-3)
 - (1) This subsection may be cited as "Lauren's Law."
 - (2) The State Board of Education, the Department of State Health Services, or a school district may not adopt any rule, policy, or program under Subsections (a), (k), (l), (l-1), or (l-2) that would prohibit a parent or grandparent of a student from providing any food product of the parent's or grandparent's choice to:
 - (A) children in the classroom of the child of the parent or grandparent on the occasion of the child's birthday; or
 - (B) children at a school-designated function.
- (m) Section [2001.039](#), Government Code, as added by Chapter 1499, Acts of the 76th Legislature, Regular Session, 1999, does not apply to a rule adopted by the State Board of Education under Subsection (c) or (d).

- (n) The State Board of Education may by rule develop and implement a plan designed to incorporate foundation curriculum requirements into the career and technology education curriculum under Subsection (a)(2)(E).
- (o) In approving career and technology courses, the State Board of Education must determine that at least 50 percent of the approved courses are cost-effective for a school district to implement.
- (p) The State Board of Education, in conjunction with the office of the attorney general, shall develop a parenting and paternity awareness program that a school district shall use in the district's high school health curriculum. A school district may use the program developed under this subsection in the district's middle or junior high school curriculum. At the discretion of the district, a teacher may modify the suggested sequence and pace of the program at any grade level. The program must:
 - (1) address parenting skills and responsibilities, including child support and other legal rights and responsibilities that come with parenthood;
 - (2) address relationship skills, including money management, communication skills, and marriage preparation; and
 - (3) in district middle, junior high, or high schools that do not have a family violence prevention program, address skills relating to the prevention of family violence.
- (p-2) A school district may develop or adopt research-based programs and curriculum materials for use in conjunction with the program developed under Subsection (p). The programs and curriculum materials may provide instruction in:
 - (1) child development;
 - (2) parenting skills, including child abuse and neglect prevention; and
 - (3) assertiveness skills to prevent teenage pregnancy, abusive relationships, and family violence.
- (p-3) The agency shall evaluate programs and curriculum materials developed under Subsection (p-2) and distribute to other school districts information regarding those programs and materials.
- (p-4) A student under 14 years of age may not participate in a program developed under Subsection (p) without the permission of the student's parent or person standing in parental relation to the student.
- (q) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(1), eff. September 1, 2014.
- (r) In adopting the essential knowledge and skills for the health curriculum under Subsection (a)(2)(B), the State Board of Education shall adopt essential knowledge and skills that address the science, risk factors, causes, dangers, [causes,] consequences, signs, symptoms, and treatment of substance abuse, including the use of illegal drugs, abuse of prescription drugs, abuse of alcohol such as by binge drinking or other excessive drinking resulting in [and] alcohol poisoning, inhaling solvents, and other forms of substance abuse. The agency shall compile a list of evidence-based substance abuse [alcohol] awareness programs from which a school district shall choose a program to use in the district's middle school, junior high school, and high school health curriculum. In this subsection, "evidence-based substance abuse [alcohol] awareness program" means a program, practice, or strategy that has been proven to effectively prevent substance abuse [or delay alcohol use] among students, as determined by evaluations that are evidence-based [use valid and reliable measures and that are published in peer reviewed journals].
- (s) In this subsection, "bullying" has the meaning assigned by Section [37.0832](#) and "harassment" has the meaning assigned by Section [37.001](#). In addition to any other essential knowledge and skills the State Board of Education adopts for the health curriculum under Subsection (a)(2)(B), the board shall adopt for the health curriculum, in consultation with the Texas School Safety Center, essential knowledge and skills that include evidence-based practices that will effectively address awareness, prevention, identification, self-defense in response to, and resolution of and intervention in bullying and harassment.
- (t) The State Board of Education, in consultation with the commissioner of higher education and business and industry leaders, shall develop an advanced language course that a school district may use in the curriculum under Subsection (a)(2)(A) to provide students with instruction in industry-related terminology that

prepares students to communicate in a language other than English in a specific professional, business, or industry environment.

(w) Repealed section 28.002 (w)

~~(w) In adopting the essential knowledge and skills for the health curriculum under Subsection (a)(2)(B), the State Board of Education shall adopt essential knowledge and skills that address the dangers, causes, consequences, signs, symptoms, and treatment of nonmedical use of prescription drugs. The agency shall compile a list of evidence-based prescription drug misuse awareness programs from which a school district may choose a program to use in the district's middle school, junior high school, and high school health curriculums. In this subsection, an "evidence-based prescription drug misuse awareness program" means a program, practice, or strategy that has been proven to effectively prevent nonmedical use of prescription drugs among students, as determined by evaluations that use valid and reliable measures and that are published in peer-reviewed journals.~~

(z) The State Board of Education by rule shall require each school district to incorporate instruction in digital citizenship into the district's curriculum, including information regarding the potential criminal consequences of cyberbullying. In this subsection:

(1) "Cyberbullying" has the meaning assigned by Section 37.0832.

(2) "Digital citizenship" means the standards of appropriate, responsible, and healthy online behavior, including the ability to access, analyze, evaluate, create, and act on all forms of digital communication.

TEXAS EDUCATION CODE
CHAPTER 28. COURSES OF STUDY; ADVANCEMENT
SUBCHAPTER B. ADVANCEMENT, PLACEMENT, CREDIT, AND
ACADEMIC ACHIEVEMENT RECORD

TEC, §28.025. HIGH SCHOOL DIPLOMA AND CERTIFICATE; ACADEMIC ACHIEVEMENT RECORD.

- (a) The State Board of Education by rule shall determine curriculum requirements for the foundation high school program that are consistent with the required curriculum under Section [28.002](#). The State Board of Education shall designate the specific courses in the foundation curriculum under Section [28.002](#) (a)(1) required under the foundation high school program. Except as provided by this section, the State Board of Education may not designate a specific course or a specific number of credits in the enrichment curriculum as requirements for the program.
- (b) A school district shall ensure that each student, on entering ninth grade, indicates in writing an endorsement under Subsection (c-1) that the student intends to earn. A district shall permit a student to choose, at any time, to earn an endorsement other than the endorsement the student previously indicated. A student may graduate under the foundation high school program without earning an endorsement if, after the student's sophomore year:
 - (1) the student and the student's parent or person standing in parental relation to the student are advised by a school counselor of the specific benefits of graduating from high school with one or more endorsements; and
 - (2) the student's parent or person standing in parental relation to the student files with a school counselor written permission, on a form adopted by the agency, allowing the student to graduate under the foundation high school program without earning an endorsement.
- (b-1) The State Board of Education by rule shall require that the curriculum requirements for the foundation high school program under Subsection (a) include a requirement that students successfully complete:
 - (1) four credits in English language arts under Section [28.002](#)(a)(1)(A), including one credit in English I, one credit in English II, one credit in English III, and one credit in an advanced English course authorized under Subsection (b-2);
 - (2) three credits in mathematics under Section [28.002](#)(a)(1)(B), including one credit in Algebra I, one credit in geometry, and one credit in any advanced mathematics course authorized under Subsection (b-2);
 - (3) three credits in science under Section [28.002](#)(a)(1)(C), including one credit in biology, one credit in any advanced science course authorized under Subsection (b-2), and one credit in integrated physics and chemistry or in an additional advanced science course authorized under Subsection (b-2);
 - (4) three credits in social studies under Section [28.002](#)(a)(1)(D), including one credit in United States history, at least one-half credit in government and at least one-half credit in economics, and one credit in world geography or world history;
 - (5) except as provided under Subsections (b-12), (b-13), and (b-14), two credits in the same language in a language other than English under Section [28.002](#)(a)(2)(A);
 - (6) five elective credits;
 - (7) one credit in fine arts under Section [28.002](#)(a)(2)(D); and

- (8) except as provided by Subsection (b-11), one credit in physical education under Section [28.002\(a\)\(2\)\(C\)](#).
- (b-2) In adopting rules under Subsection (b-1), the State Board of Education shall:
- (1) provide for a student to comply with the curriculum requirements for an advanced English course under Subsection (b-1)(1), for an advanced mathematics course under Subsection (b-1)(2), and for any advanced science course under Subsection (b-1)(3) by successfully completing a course in the appropriate content area that has been approved as an advanced course by board rule or that is offered as an advanced course for credit without board approval as provided by Section [28.002\(g-1\)](#); and
 - (2) allow a student to comply with the curriculum requirements for the third and fourth mathematics credits under Subsection (b-1)(2) or the third and fourth science credits under Subsection (b-1)(3) by successfully completing an advanced career and technical course designated by the State Board of Education as containing substantively similar and rigorous academic content.
- (b-3) In adopting rules for purposes of Subsection (b-2), the State Board of Education must approve a variety of advanced English, mathematics, and science courses that may be taken to comply with the foundation high school program requirements, provided that each approved course prepares students to enter the workforce successfully or postsecondary education without remediation.
- (b-4) A school district may offer the curriculum described in Subsections (b-1)(1) through (4) in an applied manner. Courses delivered in an applied manner must cover the essential knowledge and skills, and the student shall be administered the applicable end-of-course assessment instrument as provided by Sections [39.023\(c\)](#) and [39.025](#).
- (b-5) A school district may offer a mathematics or science course to be taken by a student after completion of Algebra II and physics. A course approved under this subsection must be endorsed by an institution of higher education as a course for which the institution would award course credit or as a prerequisite for a course for which the institution would award course credit.
- ~~(b-6) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(3), eff. September 1, 2014.~~
- ~~(b-6) A school district may allow a student to enroll concurrently in Algebra I and geometry.~~
- (b-7) The State Board of Education, in coordination with the Texas Higher Education Coordinating Board, shall adopt rules to ensure that a student may comply with the curriculum requirements under the foundation high school program or for an endorsement under Subsection (c-1) by successfully completing appropriate courses in the core curriculum of an institution of higher education under Section [61.822](#). Notwithstanding Subsection (b-15) or (c) of this section, Section [39.025](#), or any other provision of this code and notwithstanding any school district policy, a student who has completed the core curriculum of an institution of higher education under Section [61.822](#), as certified by the institution in accordance with commissioner rule, is considered to have earned a distinguished level of achievement under the foundation high school program and is entitled to receive a high school diploma from the appropriate high school as that high school is determined in accordance with commissioner rule. A student who is considered to have earned a distinguished level of achievement under the foundation high school program under this subsection may apply for admission to an institution of higher education for the first semester or other academic term after the semester or other academic term in which the student completes the core curriculum.
- (b-8) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(3), eff. September 1, 2014.
- (b-9) A school district, with the approval of the commissioner, may allow a student to satisfy the fine arts credit required under Subsection (b-1)(7) by participating in a community-based fine arts

program not provided by the school district in which the student is enrolled. The fine arts program must provide instruction in the essential knowledge and skills identified for fine arts by the State Board of Education under Section [28.002\(c\)](#). The fine arts program may be provided on or off a school campus and outside the regular school day.

- (b-10) A school district, with the approval of the commissioner, may allow a student to comply with the curriculum requirements for the physical education credit required under Subsection (b-1)(8) by participating in a private or commercially sponsored physical activity program provided on or off a school campus and outside the regular school day.
- (b-11) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student who is unable to participate in physical activity due to disability or illness to substitute one credit in English language arts, mathematics, science, or social studies, one credit in a course that is offered for credit as provided by Section [28.002\(g-1\)](#), or one academic elective credit for the physical education credit required under Subsection (b-1)(8). A credit allowed to be substituted under this subsection may not also be used by the student to satisfy a graduation requirement other than completion of the physical education credit. The rules must provide that the determination regarding a student's ability to participate in physical activity will be made by:
 - (1) if the student receives special education services under Subchapter A, Chapter [29](#), the student's admission, review, and dismissal committee;
 - (2) if the student does not receive special education services under Subchapter A, Chapter [29](#), but is covered by Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), the committee established for the student under that Act; or
 - (3) if each of the committees described by Subdivisions (1) and (2) is inapplicable, a committee established by the school district of persons with appropriate knowledge regarding the student.
- (b-12) In adopting rules under Subsection (b-1), the State Board of Education shall adopt criteria to allow a student to comply with the curriculum requirements for the two credits in a language other than English required under Subsection (b-1)(5) by substituting two credits in computer programming languages, including computer coding.
- (b-13) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student to substitute credit in another appropriate course for the second credit in the same language in a language other than English otherwise required by Subsection (b-1)(5) if the student, in completing the first credit required under Subsection (b-1)(5), demonstrates that the student is unlikely to be able to complete the second credit. The board rules must establish:
 - (1) the standards and, as applicable, the appropriate school personnel for making a determination under this subsection; and
 - (2) appropriate substitute courses for purposes of this subsection.
- (b-14) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student who, due to disability, is unable to complete two courses in the same language in a language other than English, as provided under Subsection (b-1)(5), to substitute for those credits two credits in English language arts, mathematics, science, or social studies or two credits in career and technology education, technology applications, or other academic electives. A credit allowed to be substituted under this subsection may not also be used by the student to satisfy a graduation requirement other than credit for completion of a language other than English. The rules must provide that the determination regarding a student's ability to participate in language-other-than-English courses will be made by:

- (1) if the student receives special education services under Subchapter A, Chapter [29](#), the student's admission, review, and dismissal committee; or
 - (2) if the student does not receive special education services under Subchapter A, Chapter [29](#), but is covered by Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), the committee established for the student under that Act.
- (b-15) A student may earn a distinguished level of achievement under the foundation high school program by successfully completing:
- (1) four credits in mathematics, which must include Algebra II and the courses described by Subsection (b-1)(2);
 - (2) four credits in science, which must include the courses described by Subsection (b-1)(3);
 - (3) the remaining curriculum requirements under Subsection (b-1); and
 - (4) the curriculum requirements for at least one endorsement under Subsection (c-1).
- (b-16) A student may satisfy an elective credit required under Subsection (b-1)(6) with a credit earned to satisfy the additional curriculum requirements for the distinguished level of achievement under the foundation high school program or an endorsement under Subsection (c-1). This subsection may apply to more than one elective credit.
- (b-17) The State Board of Education shall adopt rules to ensure that a student may comply with the curriculum requirements under Subsection (b-1)(6) by successfully completing an advanced career and technical course, including a course that may lead to an industry-recognized credential or certificate or an associate degree.
- (b-18) In adopting rules under Subsection (b-1), the State Board of Education shall allow a student to comply with the curriculum requirements under Subsection (b-1) by successfully completing a dual credit course.
- (b-19) In adopting rules under Subsection (b-1), the State Board of Education shall adopt criteria to allow a student to comply with curriculum requirements for the world geography or world history credit under Subsection (b-1)(4) by successfully completing a combined world history and world geography course developed by the State Board of Education.
- (b-20) The State Board of Education shall adopt rules to include the instruction developed under Section [28.012](#) in one or more courses in the required curriculum for students in grade levels 9 through 12.
- (b-21) In adopting rules under Subsection (b-1), the State Board of Education shall adopt criteria to allow a student to comply with the curriculum requirement for one credit under Subsection (b-1)(5) by successfully completing at an elementary school either a dual language immersion program under Section [28.0051](#) or a course in American Sign Language [~~at an elementary school~~].
- (c) A person may receive a diploma if the person is eligible for a diploma under Section [28.0251](#). In other cases, a student may graduate and receive a diploma only if:
- (1) the student successfully completes the curriculum requirements identified by the State Board of Education under Subsection (a) and complies with Sections 28.0256 and [~~Section~~] [39.025](#); or
 - (2) the student successfully completes an individualized education program developed under Section [29.005](#).

- (c-1) A student may earn an endorsement on the student's transcript by successfully completing curriculum requirements for that endorsement adopted by the State Board of Education by rule. The State Board of Education by rule shall provide students with multiple options for earning each endorsement, including, to the greatest extent possible, coherent sequences of courses. The State Board of Education by rule must permit a student to enroll in courses under more than one endorsement curriculum before the student's junior year. An endorsement under this subsection may be earned in any of the following categories:
- (1) science, technology, engineering, and mathematics (STEM), which includes courses directly related to science, including environmental science, technology, including computer science, cybersecurity, and computer coding, engineering, and advanced mathematics;
 - (2) business and industry, which includes courses directly related to database management, information technology, communications, accounting, finance, marketing, graphic design, architecture, construction, welding, logistics, automotive technology, agricultural science, and heating, ventilation, and air conditioning;
 - (3) public services, which includes courses directly related to health sciences and occupations, mental health, education and training, law enforcement, and culinary arts and hospitality;
 - (4) arts and humanities, which includes courses directly related to political science, world languages, cultural studies, English literature, history, and fine arts; and
 - (5) multidisciplinary studies, which allows a student to:
 - (A) select courses from the curriculum of each endorsement area described by Subdivisions (1) through (4); and
 - (B) earn credits in a variety of advanced courses from multiple content areas sufficient to complete the distinguished level of achievement under the foundation high school program.
- (c-2) In adopting rules under Subsection (c-1), the State Board of Education shall:
- (1) require a student in order to earn any endorsement to successfully complete:
 - (A) four credits in mathematics, which must include:
 - (i) the courses described by Subsection (b-1)(2); and
 - (ii) an additional advanced mathematics course authorized under Subsection (b-2) or an advanced career and technology course designated by the State Board of Education;
 - (B) four credits in science, which must include:
 - (i) the courses described by Subsection (b-1)(3); and
 - (ii) an additional advanced science course authorized under Subsection (b-2) or an advanced career and technology course designated by the State Board of Education; and
 - (C) two elective credits in addition to the elective credits required under Subsection (b-1)(6); and
 - (2) develop additional curriculum requirements for each endorsement with the direct participation of educators and business, labor, and industry representatives, and shall require each school district to report to the agency the categories of endorsements under

Subsection (c-1) for which the district offers all courses for curriculum requirements, as determined by board rule.

- (c-3) In adopting rules under Subsection (c-1), the State Board of Education shall adopt criteria to allow a student participating in the arts and humanities endorsement under Subsection (c-1)(4), with the written permission of the student's parent or a person standing in parental relation to the student, to comply with the curriculum requirements for science required under Subsection (c-2)(1)(B)(ii) by substituting for an advanced course requirement a course related to that endorsement.
- (c-4) Each school district must make available to high school students courses that allow a student to complete the curriculum requirements for at least one endorsement under Subsection (c-1). A school district that offers only one endorsement curriculum must offer the multidisciplinary studies endorsement curriculum.
- (c-5) A student may earn a performance acknowledgment on the student's transcript by satisfying the requirements for that acknowledgment adopted by the State Board of Education by rule. An acknowledgment under this subsection may be earned:
 - (1) for outstanding performance:
 - (A) in a dual credit course;
 - (B) in bilingualism and biliteracy;
 - (C) on a college advanced placement test or international baccalaureate examination;
 - (D) on an established, valid, reliable, and nationally norm-referenced preliminary college preparation assessment instrument used to measure a student's progress toward readiness for college and the workplace; or
 - (E) on an established, valid, reliable, and nationally norm-referenced assessment instrument used by colleges and universities as part of their undergraduate admissions process; or
 - (2) for earning a state recognized or nationally or internationally recognized business or industry certification or license.
- (c-6) Notwithstanding Subsection (c), a person may receive a diploma if the person is eligible for a diploma under Section [28.0258](#). This subsection expires September 1, ~~2019~~ 2023.
- (c-7) Subject to Subsection (c-8), a student who is enrolled in a special education program under Subchapter A, Chapter 29, may earn an endorsement on the student's transcript by:
 - (1) successfully completing, with or without modification of the curriculum:
 - (A) the curriculum requirements identified by the State Board of Education under Subsection (a); and
 - (B) the additional endorsement curriculum requirements prescribed by the State Board of Education under Subsection (c-2); and
 - (2) successfully completing all curriculum requirements for that endorsement adopted by the State Board of Education:
 - (A) without modification of the curriculum; or

(B) with modification of the curriculum, provided that the curriculum, as modified, is sufficiently rigorous as determined by the student's admission, review, and dismissal committee.

- (c-8) For purposes of Subsection (c-7), the admission, review, and dismissal committee of a student in a special education program under Subchapter A, Chapter 29, shall determine whether the student is required to achieve satisfactory performance on an end-of-course assessment instrument to earn an endorsement on the student's transcript.
- (c-10) In adopting rules under Subsection (c-1), the State Board of Education shall adopt or select five technology applications courses on cybersecurity to be included in a cybersecurity pathway for the science, technology, engineering, and mathematics endorsement.
- (d) A school district may issue a certificate of coursework completion to a student who successfully completes the curriculum requirements identified by the State Board of Education under Subsection (a) but who fails to comply with Section [39.025](#). A school district may allow a student who receives a certificate to participate in a graduation ceremony with students receiving high school diplomas.
- (e) Each school district shall report the academic achievement record of students who have completed the foundation high school program on transcript forms adopted by the State Board of Education. The transcript forms adopted by the board must be designed to clearly identify whether a student received a diploma or a certificate of coursework completion.
- (e-1) A school district shall clearly indicate a distinguished level of achievement under the foundation high school program as described by Subsection (b-15), an endorsement described by Subsection (c-1), and a performance acknowledgment described by Subsection (c-5) on the transcript of a student who satisfies the applicable requirements. The State Board of Education shall adopt rules as necessary to administer this subsection.
- (e-2) At the end of each school year, each school district shall report through the Public Education Information Management System (PEIMS) the number of district students who, during that school year, were:
- (1) enrolled in the foundation high school program;
 - (2) pursuing the distinguished level of achievement under the foundation high school program as provided by Subsection (b-15); and
 - (3) enrolled in a program to earn an endorsement described by Subsection (c-1).
- (e-3) Information reported under Subsection (e-2) must be disaggregated by all student groups served by the district, including categories of race, ethnicity, socioeconomic status, sex, and populations served by special programs, including students in special education programs under Subchapter A, Chapter [29](#).
- (f) A school district shall issue a certificate of attendance to a student who receives special education services under Subchapter A, Chapter [29](#), and who has completed four years of high school but has not completed the student's individualized education program. A school district shall allow a student who receives a certificate to participate in a graduation ceremony with students receiving high school diplomas. A student may participate in only one graduation ceremony under this subsection. This subsection does not preclude a student from receiving a diploma under Subsection (c)(2).
- (g) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 211, Sec. 78(b)(3), eff. September 1, 2014.

- (h) The commissioner by rule shall adopt a transition plan to implement and administer the amendments made by H.B. No. 5, 83rd Legislature, Regular Session, 2013, replacing the minimum, recommended, and advanced high school programs with the foundation high school program beginning with the 2014-2015 school year. Under the transition plan, a student who entered the ninth grade before the 2014-2015 school year must be permitted to complete the curriculum requirements required for high school graduation under:
- (1) the foundation high school program, if the student chooses during the 2014-2015 school year to take courses under this program;
 - (2) the minimum high school program, as that program existed before the adoption of H.B. No. 5, 83rd Legislature, Regular Session, 2013, if the student was participating in that program before the 2014-2015 school year;
 - (3) the recommended high school program, as that program existed before the adoption of H.B. No. 5, 83rd Legislature, Regular Session, 2013, if the student was participating in that program before the 2014-2015 school year; or
 - (4) the advanced high school program, as that program existed before the adoption of H.B. No. 5, 83rd Legislature, Regular Session, 2013, if the student was participating in that program before the 2014-2015 school year.
- (h-1) This subsection and Subsection (h) expire September 1, 2018.
- (i) If an 11th or 12th grade student who is homeless or in the conservatorship of the Department of Family and Protective Services transfers to a different school district and the student is ineligible to graduate from the district to which the student transfers, the district from which the student transferred shall award a diploma at the student's request, if the student meets the graduation requirements of the district from which the student transferred. [~~In this subsection, "student who is homeless" has the meaning assigned to the term "homeless children and youths" under 42 U.S.C. Section 11434a].~~]

TEXAS EDUCATION CODE
CHAPTER 28. COURSES OF STUDY; ADVANCEMENT
SUBCHAPTER B. ADVANCEMENT, PLACEMENT, CREDIT, AND
ACADEMIC ACHIEVEMENT RECORD

TEC, §28.0256. FINANCIAL AID APPLICATION REQUIREMENT FOR HIGH SCHOOL GRADUATION.

- (a) Before graduating from high school, each student must complete and submit a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA).
- (b) A student is not required to comply with Subsection (a) if:
 - (1) the student's parent or other person standing in parental relation submits a signed form indicating that the parent or other person authorizes the student to decline to complete and submit the financial aid application;
 - (2) the student signs and submits the form described by Subdivision (1) on the student's own behalf if the student is 18 years of age or older or the student's disabilities of minority have been removed for general purposes under Chapter [31](#), Family Code; or
 - (3) a school counselor authorizes the student to decline to complete and submit the financial aid application for good cause, as determined by the school counselor.
- (c) A school district or open-enrollment charter school shall adopt a form to be used for purposes of Subsection (b). The form must be:
 - (1) approved by the agency; and
 - (2) made available in English, Spanish, and any other language spoken by a majority of the students enrolled in a bilingual education or special language program under Subchapter B, Chapter [29](#), in the district or school.
- (d) If a school counselor notifies a school district whether a student has complied with this section for purposes of determining whether the student meets high school graduation requirements under Section [28.025](#), the school counselor may only indicate whether the student has complied with this section and may not indicate the manner in which the student complied.
- (e) The commissioner shall adopt rules as necessary to implement this section, including rules to:
 - (1) establish:
 - (A) a timeline for:
 - (i) the distribution to students of the free application for federal student aid or Texas application for state financial aid and the form adopted under Subsection (c); and
 - (ii) the submission of a form under Subsection (b);
 - (B) standards regarding the information that a school district or open-enrollment charter school must provide to students regarding:
 - (i) in accordance with Section [33.007](#)(b)(5), instructions for filling out the free application for federal student aid or Texas application for state financial aid; and
 - (ii) the options available to a student under Subsection (b) if the student wishes to decline to complete and submit a financial aid application; and
 - (C) the method by which a student must provide to a school district or open-enrollment charter school proof that the student has completed and submitted the

free application for federal student aid or Texas application for state financial aid as required by this section;

- (2) require each school district to report to the agency:
 - (A) the number of students who completed and submitted a financial aid application under Subsection (a); and
 - (B) the number of students who received an exception from complying with Subsection (a) under Subsection (b); and
- (3) ensure compliance with federal law regarding confidentiality of student educational information, including the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), and any state law relating to the privacy of student information.
- (f) The agency shall establish an advisory committee to assist the agency in adopting rules under Subsection (e) to implement this section and to develop recommendations for that purpose. The advisory committee is composed of:
 - (1) school counselors;
 - (2) school administrators; and
 - (3) stakeholders to represent the needs of interested students.
- (g) Not later than January 1, 2021, the agency shall report the advisory committee's recommendations to the standing committee of each house of the legislature with jurisdiction over public education. Subsection (f) and this subsection expire January 1, 2023.

Added by Acts 2019, 86th Leg., R.S., Ch. 943 (H.B. [3](#)), Sec. 2.015, eff. June 12, 2019.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE F. CURRICULUM, PROGRAMS, AND SERVICES
CHAPTER 31. INSTRUCTIONAL MATERIALS
SUBCHAPTER A. GENERAL PROVISIONS

TEC, §31.003. RULES.

The State Board of Education may adopt rules, consistent with this chapter, for the adoption, requisition, distribution, care, use, and disposal of instructional materials.

TEXAS EDUCATION CODE
CHAPTER 31. INSTRUCTIONAL MATERIALS
SUBCHAPTER A. GENERAL PROVISIONS

TEC, §31.022. INSTRUCTIONAL MATERIALS REVIEW AND ADOPTION.

- (a) The State Board of Education shall adopt a review and adoption cycle for instructional materials for elementary grade levels, including prekindergarten, and secondary grade levels, for each subject in the required curriculum under Section 28.002. In adopting the cycle, the board:
 - (1) is not required to review and adopt instructional materials for all grade levels in a single year; and
 - (2) shall give priority to instructional materials in the following subjects:
 - (A) foundation curriculum subjects for which the essential knowledge and skills have been substantially revised and for which assessment instruments are required under Subchapter B, Chapter 39, including career and technology courses that satisfy foundation curriculum requirements as provided by Section 28.002(n);
 - (B) foundation curriculum subjects for which the essential knowledge and skills have been substantially revised, including career and technology courses that satisfy foundation curriculum requirements as provided by Section 28.002(n);
 - (C) foundation curriculum subjects not described by Paragraph (A) or (B), including career and technology courses that satisfy foundation curriculum requirements as provided by Section 28.002(n); and
 - (D) enrichment curriculum subjects.
- (b) The board shall organize the cycle for subjects in the foundation curriculum so that not more than one-fourth of the instructional materials for subjects in the foundation curriculum are reviewed each biennium. The board shall adopt rules to provide for a full and complete investigation of instructional materials for each subject in the foundation curriculum every eight years. The adoption of instructional materials for a subject in the foundation curriculum may be extended beyond the eight-year period only if the content of instructional materials for a subject is sufficiently current.
- (c) The board shall adopt rules to provide for a full and complete investigation of instructional materials for each subject in the enrichment curriculum on a cycle the board considers appropriate.
- (d) At least 12 months before the beginning of the school year for which instructional materials for a particular subject and grade level will be adopted under the review and adoption cycle, the board shall publish notice of the review and adoption cycle for those instructional materials. A request for production must allow submission of open education resource instructional materials that are available for use by the state without charge on the same basis as instructional materials offered for sale.
- (d-1) A notice published under Subsection (d) must state that a publisher of adopted instructional materials for a grade level other than prekindergarten must submit an electronic sample of the instructional materials as required by Sections 31.027(a) and (b) and may not submit a print sample copy.
- (e) The board shall designate a request for production of instructional materials in a subject area and grade level by the school year in which the instructional materials are intended to be made available in classrooms and not by the school year in which the board makes the request for production.
- (f) The board shall amend any request for production issued for the purchase of instructional materials to conform to the instructional materials funding levels provided by the General Appropriations Act for the year of implementation.
- (g) In reviewing and adopting instructional materials, the board shall consider a school district's need for technology as well as instructional materials and in any biennium may limit the adoption of instructional materials to provide sufficient resources to purchase technology resources, including digital curriculum.
- (h) The board shall include information regarding open education resource instructional materials during the adoption cycle, including any cost savings associated with the adoption of open education resource instructional materials.

TEXAS EDUCATION CODE
CHAPTER 31. INSTRUCTIONAL MATERIALS
SUBCHAPTER B-2. INSTRUCTIONAL MATERIALS WEB PORTAL

TEC, §31.081. INSTRUCTIONAL MATERIALS WEB PORTAL.

- (a) The commissioner shall develop and maintain a web portal to assist school districts and open-enrollment charter schools in selecting instructional materials under Section [31.101](#).
- (b) The web portal must include general information such as price, computer system requirements, and any other relevant specifications for each instructional material:
 - (1) on the instructional materials list, including the list adopted under Section [31.0231](#); or
 - (2) submitted by a publisher for inclusion in the web portal.
- (c) The commissioner by rule shall establish the procedure by which a publisher may submit instructional materials for inclusion in the web portal.
- (d) The commissioner shall use a competitive process to contract for the development of the web portal.
- (e) The commissioner shall use money in the state instructional materials and technology fund to pay any expenses associated with the web portal.

TEXAS EDUCATION CODE
CHAPTER 31. INSTRUCTIONAL MATERIALS
SUBCHAPTER B-2. INSTRUCTIONAL MATERIALS WEB PORTAL

TEC, §31.082. QUALITY OF INSTRUCTIONAL MATERIALS SUBMITTED BY PUBLISHER.

- (a) The commissioner shall contract with a private entity to conduct an independent analysis of each instructional material submitted by a publisher for inclusion in the web portal developed under Section [31.081](#). The analysis must:
 - (1) evaluate the quality of the material; and
 - (2) determine the extent to which the material covers the essential knowledge and skills identified under Section [28.002](#) for the subject and grade level for which the material is intended to be used, including an identification of:
 - (A) each of the essential knowledge and skills for the subject and grade level or levels covered by the material; and
 - (B) the percentage of the essential knowledge and skills for the subject and grade level or levels covered by the material.
- (b) The commissioner shall include in the web portal developed under Section [31.081](#) the results of each analysis conducted under Subsection (a).

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE G. SAFE SCHOOLS
CHAPTER 38. HEALTH AND SAFETY
SUBCHAPTER A. GENERAL PROVISIONS

TEC, §38.003. SCREENING AND TREATMENT FOR DYSLEXIA AND RELATED DISORDERS.

- (a) Students enrolling in public schools in this state shall be screened or tested, as appropriate, for dyslexia and related disorders at appropriate times in accordance with a program approved by the State Board of Education. The program must include screening at the end of the school year of each student in kindergarten and each student in the first grade.
- (b) In accordance with the program approved by the State Board of Education, the board of trustees of each school district shall provide for the treatment of any student determined to have dyslexia or a related disorder.
- (b-1) Unless otherwise provided by law, a student determined to have dyslexia during screening or testing under Subsection (a) or accommodated because of dyslexia may not be rescreened or retested for dyslexia for the purpose of reassessing the student's need for accommodations until the district reevaluates the information obtained from previous screening or testing of the student.
- (c) Subject to Subsection (c-1), the State Board of Education shall adopt any rules and standards necessary to administer this section.
- (c-1) The agency by rule shall develop procedures designed to allow the agency to:
 - (1) effectively audit and monitor and periodically conduct site visits of all school districts to ensure that districts are complying with this section, including the program approved by the State Board of Education under this section;
 - (2) identify any problems school districts experience in complying with this section, including the program approved by the State Board of Education under this section; and
 - (3) develop reasonable and appropriate remedial strategies to address school district noncompliance and ensure the purposes of this section are accomplished.
- (d) In this section:
 - (1) "Dyslexia" means a disorder of constitutional origin manifested by a difficulty in learning to read, write, or spell, despite conventional instruction, adequate intelligence, and sociocultural opportunity.
 - (2) "Related disorders" includes disorders similar to or related to dyslexia, such as developmental auditory imperception, dysphasia, specific developmental dyslexia, developmental dysgraphia, and developmental spelling disability.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

TEC, §39.021. ESSENTIAL SKILLS AND KNOWLEDGE.

The State Board of Education by rule shall establish the essential skills and knowledge that all students should learn to achieve the goals provided under Section [4.002](#).

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

TEC, §39.022. ASSESSMENT PROGRAM.

- (a) The State Board of Education by rule shall create and implement a statewide assessment program that is knowledge- and skills-based to ensure school accountability for student achievement that achieves the goals provided under Section [4.002](#). After adopting rules under this section, the State Board of Education shall consider the importance of maintaining stability in the statewide assessment program when adopting any subsequent modification of the rules.
- (b) It is the policy of this state that the statewide assessment program be designed to:
 - (1) provide assessment instruments that are as short as practicable; and
 - (2) minimize the disruption to the educational program.

Added by Acts 1995, 74th Leg., ch. 260, Sec. 1, eff. May 30, 1995. Amended by Acts 1999, 76th Leg., ch. 397, Sec. 2, eff. Sept. 1, 1999.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 1315 (H.B. [3906](#)), Sec. 1, eff. June 14, 2019.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

TEC, §39.023. ADOPTION AND ADMINISTRATION OF INSTRUMENTS.

Text of subsection effective until September 01, 2021

- (a) The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess essential knowledge and skills in reading, writing, mathematics, social studies, and science. Except as provided by Subsection (a-2), all students, other than students assessed under Subsection (b) or (1) or exempted under Section [39.027](#), shall be assessed in:
- (1) mathematics, annually in grades three through eight;
 - (2) reading, annually in grades three through eight;
 - (3) writing, including spelling and grammar, in grades four and seven;
 - (4) social studies, in grade eight;
 - (5) science, in grades five and eight; and
 - (6) any other subject and grade required by federal law.

Text of subsection effective on September 01, 2021

- (a) The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess essential knowledge and skills in reading, mathematics, social studies, and science. Except as provided by Subsection (a-2), all students, other than students assessed under Subsection (b) or (1) or exempted under Section [39.027](#), shall be assessed in:
- (1) mathematics, annually in grades three through eight;
 - (2) reading, annually in grades three through eight;
 - (3) social studies, in grade eight;
 - (4) science, in grades five and eight; and
 - (5) any other subject and grade required by federal law.
- (a-1) The agency shall develop assessment instruments required under Subsection (a) in a manner that allows, to the extent practicable:
- (1) the score a student receives to provide reliable information relating to a student's satisfactory performance for each performance standard under Section [39.0241](#); and
 - (2) an appropriate range of performances to serve as a valid indication of growth in student achievement.
- (a-2) Except as required by federal law, a student is not required to be assessed in a subject otherwise assessed at the student's grade level under Subsection (a) if the student:

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

- (1) is enrolled in a course in the subject intended for students above the student's grade level and will be administered an assessment instrument adopted or developed under Subsection (a) that aligns with the curriculum for the course in which the student is enrolled; or
 - (2) is enrolled in a course in the subject for which the student will receive high school academic credit and will be administered an end-of-course assessment instrument adopted under Subsection (c) for the course.
- (a-3) The agency may not adopt or develop a criterion-referenced assessment instrument under this section based on common core state standards as defined by Section [28.002](#)(b-1). This subsection does not prohibit the use of college advanced placement tests or international baccalaureate examinations as those terms are defined by Section [28.051](#).
- (a-4) For purposes of Subsection (a)(1), the State Board of Education by rule may designate sections of a mathematics assessment instrument for a grade level that:
- (1) may be completed with the aid of technology; and
 - (2) must be completed without the aid of technology.
- (a-5)-(a-10) Expired.
- (a-11) Before an assessment instrument adopted or developed under Subsection (a) may be administered under that subsection, the assessment instrument must, on the basis of empirical evidence, be determined to be valid and reliable by an entity that is independent of the agency and of any other entity that developed the assessment instrument.
- (a-12) An assessment instrument adopted or developed under Subsection (a) may not have more than three parts. A part of an assessment instrument must be designed so that:
- (1) if administered to students in grades three and four, 85 percent of students will be able to complete that part within 60 minutes; and
 - (2) if administered to students in grades five through eight, 85 percent of students will be able to complete that part within 75 minutes.
- (a-13) The amount of time allowed for administration of an assessment instrument adopted or developed under Subsection (a) may not exceed eight hours, and the administration may occur in multiple parts over more than one day.
- (a-14) Subsections (a-12) and (a-13) do not apply to the administration of assessment instruments for a grade level if, as a result of the time restriction imposed, the assessment instrument no longer:
- (1) complies with federal law; or
 - (2) is valid and reliable, based on findings and recommendations made by the advisory committees established under Section [39.02302](#).

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

- (a-15) Subsections (a-12) and (a-13) do not apply to a classroom portfolio method used to assess writing performance.
- (a-16) An assessment instrument under this section may not be administered to a kindergarten student except for the purpose of determining whether the student is entitled to the benefit of the Foundation School Program as provided under this code.
- (b) The agency shall develop or adopt appropriate criterion-referenced alternative assessment instruments to be administered to each student in a special education program under Subchapter [A](#), Chapter [29](#), for whom an assessment instrument adopted under Subsection (a), even with allowable accommodations, would not provide an appropriate measure of student achievement, as determined by the student's admission, review, and dismissal committee, including assessment instruments approved by the commissioner that measure growth. The assessment instruments developed or adopted under this subsection, including the assessment instruments approved by the commissioner, must, to the extent allowed under federal law, provide a district with options for the assessment of students under this subsection. The agency may not adopt a performance standard that indicates that a student's performance on the alternate assessment does not meet standards if the lowest level of the assessment accurately represents the student's developmental level as determined by the student's admission, review, and dismissal committee.
 - (b-1) The agency, in conjunction with appropriate interested persons, shall redevelop assessment instruments adopted or developed under Subsection (b) for administration to significantly cognitively disabled students in a manner consistent with federal law. An assessment instrument under this subsection may not require a teacher to prepare tasks or materials for a student who will be administered such an assessment instrument. A classroom portfolio method used to assess writing performance may require a teacher to prepare tasks and materials.
- (c) The agency shall also adopt end-of-course assessment instruments for secondary-level courses in Algebra I, biology, English I, English II, and United States history. The Algebra I end-of-course assessment instrument must be administered with the aid of technology, but may include one or more parts that prohibit the use of technology. The English I and English II end-of-course assessment instruments must each assess essential knowledge and skills in both reading and writing and must provide a single score. A school district shall comply with State Board of Education rules regarding administration of the assessment instruments listed in this subsection. If a student is in a special education program under Subchapter [A](#), Chapter [29](#), the student's admission, review, and dismissal committee shall determine whether any allowable modification is necessary in administering to the student an assessment instrument required under this subsection. The State Board of Education shall administer the assessment instruments. An end-of-course assessment instrument may be administered in multiple parts over more than one day. The State Board of Education shall adopt a schedule for the administration of end-of-course assessment instruments that complies with the requirements of Subsection (c-3).
 - (c-1) The agency shall develop any assessment instrument required under this section in a manner that allows for the measurement of annual improvement in student achievement as required by Sections [39.034](#)(c) and (d).

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

- (c-2) The agency may adopt end-of-course assessment instruments for courses not listed in Subsection (c). A student's performance on an end-of-course assessment instrument adopted under this subsection is not subject to the performance requirements established under Subsection (c) or Section [39.025](#).
- (c-3) Except as provided by Subsection (c-7), in adopting a schedule for the administration of assessment instruments under this section, the State Board of Education shall ensure that assessment instruments administered under Subsection (a) or (c) are not administered on the first instructional day of a week.
- (c-4) To the extent practicable and subject to Section [39.024](#), the agency shall ensure that each end-of-course assessment instrument adopted under Subsection (c) is:
 - (1) developed in a manner that measures a student's performance under the college readiness standards established under Section [28.008](#); and
 - (2) validated by national postsecondary education experts for college readiness content and performance standards.
- (c-5) A student's performance on an end-of-course assessment instrument required under Subsection (c) must be included in the student's academic achievement record.
- (c-6) In adopting an end-of-course assessment instrument under this section, the agency shall consider the use of an existing assessment instrument that is currently available. The agency may use an existing assessment instrument that is currently available only if the assessment instrument:
 - (1) is aligned with the essential knowledge and skills of the subject being assessed; and
 - (2) allows for the measurement of annual improvement in student achievement as provided by Subsection (c-1).

Text of subsection as added by Acts 2019, 86th Leg., R.S., Ch. 1282 (H.B. [1244](#)), Sec. 1

- (c-7) The United States history end-of-course assessment instrument adopted under Subsection (c) must include 10 questions randomly selected by the agency from the civics test administered by the United States Citizenship and Immigration Services as part of the naturalization process under the federal Immigration and Nationality Act (8 U.S.C. Section 1101 et seq.). The agency shall:
 - (1) ensure that the questions included in the assessment instrument align with the essential knowledge and skills adopted for the United States history course for which the instrument is administered; and
 - (2) annually issue a report:
 - (A) providing the questions included in the assessment instrument under this subsection and the answers to those questions; and
 - (B) detailing student performance on the questions included in the assessment instrument under this subsection, both statewide and disaggregated by school

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

district and campus.

Text of subsection as added by Acts 2019, 86th Leg., R.S., Ch. 1315 (H.B. [3906](#)), Sec. 3

- (c-7) Subsection (c-3) does not apply to a classroom portfolio method used to assess writing performance if student performance under that method is less than 50 percent of a student's overall assessed performance in writing.
- (c-8) Beginning with the 2022-2023 school year, an assessment instrument developed under Subsection (a) or (c) may not present more than 75 percent of the questions in a multiple choice format.
- (d) The commissioner may participate in multistate efforts to develop voluntary standardized end-of-course assessment instruments. The commissioner by rule may require a school district to administer an end-of-course assessment instrument developed through the multistate efforts. The admission, review, and dismissal committee of a student in a special education program under Subchapter [A](#), Chapter [29](#), shall determine whether any allowable modification is necessary in administering to the student an end-of-course assessment instrument.
- (e) Under rules adopted by the State Board of Education, every third year, the agency shall release the questions and answer keys to each assessment instrument administered under Subsection (a), (b), (c), (d), or (l), excluding any assessment instrument administered to a student for the purpose of retaking the assessment instrument, after the last time the instrument is administered for that school year. To ensure a valid bank of questions for use each year, the agency is not required to release a question that is being field-tested and was not used to compute the student's score on the instrument. The agency shall also release, under board rule, each question that is no longer being field-tested and that was not used to compute a student's score. During the 2014-2015 and 2015-2016 school years, the agency shall release the questions and answer keys to assessment instruments as described by this subsection each year.
- (e-1) The agency may defer releasing assessment instrument questions and answer keys as required by Subsection (e) to the extent necessary to develop additional assessment instruments.
- (f) The assessment instruments shall be designed to include assessment of a student's problem-solving ability and complex-thinking skills using a method of assessing those abilities and skills that is demonstrated to be highly reliable.
- (g) The State Board of Education may adopt one appropriate, nationally recognized, norm-referenced assessment instrument in reading and mathematics to be administered to a selected sample of students in the spring. If adopted, a norm-referenced assessment instrument must be a secured test. The state may pay the costs of purchasing and scoring the adopted assessment instrument and of distributing the results of the adopted instrument to the school districts. A district that administers the norm-referenced test adopted under this subsection shall report the results to the agency in a manner prescribed by the commissioner.
- (h) The agency shall notify school districts and campuses of the results of assessment instruments administered under this section not later than the 21st day after the date the assessment instrument is administered. The school district shall disclose to each district teacher the results of assessment

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

instruments administered to students taught by the teacher in the subject for the school year in which the assessment instrument is administered.

- (i) The provisions of this section, except Subsection (d), are subject to modification by rules adopted under Section [39.022](#). Each assessment instrument adopted under those rules and each assessment instrument required under Subsection (d) must be reliable and valid and must meet any applicable federal requirements for measurement of student progress.
- (j) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1312, Sec. 18, eff. September 1, 2007.
- (l) The State Board of Education shall adopt rules for the administration of the assessment instruments adopted under Subsection (a) in Spanish to students in grades three through five who are of limited English proficiency, as defined by Section [29.052](#), whose primary language is Spanish, and who are not otherwise exempt from the administration of an assessment instrument under Section [39.027](#)(a)(1) or (2). Each student of limited English proficiency whose primary language is Spanish, other than a student to whom Subsection (b) applies, may be assessed using assessment instruments in Spanish under this subsection for up to three years or assessment instruments in English under Subsection (a). The language proficiency assessment committee established under Section [29.063](#) shall determine which students are administered assessment instruments in Spanish under this subsection.
- (m) The commissioner by rule shall develop procedures under which the language proficiency assessment committee established under Section [29.063](#) shall determine which students are exempt from the administration of the assessment instruments under Section [39.027](#)(a)(1) or (2). The rules adopted under this subsection shall ensure that the language proficiency assessment committee provides that the exempted students are administered the assessment instruments under Subsections (a) and (c) at the earliest practical date.
- (n) This subsection applies only to a student who is determined to have dyslexia or a related disorder and who is an individual with a disability under 29 U.S.C. Section 705(20) and its subsequent amendments. The agency shall adopt or develop appropriate criterion-referenced assessment instruments designed to assess the ability of and to be administered to each student to whom this subsection applies for whom the assessment instruments adopted under Subsection (a), even with allowable modifications, would not provide an appropriate measure of student achievement, as determined by the committee established by the board of trustees of the district to determine the placement of students with dyslexia or related disorders. The committee shall determine whether any allowable modification is necessary in administering to a student an assessment instrument required under this subsection. The assessment instruments required under this subsection shall be administered on the same schedule as the assessment instruments administered under Subsection (a).
- (o) The agency shall adopt or develop optional interim assessment instruments for each subject or course for each grade level subject to assessment under this section. A school district may not be required to administer interim assessment instruments adopted or developed under this subsection. An interim assessment instrument:
 - (1) must be:

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

- (A) predictive of the assessment instrument for the applicable subject or course for that grade level required under this section; and
- (B) administered electronically; and
- (2) may not be used for accountability purposes.
- (p) On or before September 1 of each year, the commissioner shall make the following information available on the agency's Internet website for each assessment instrument administered under Subsection (a), (c), or (l):
 - (1) the number of questions on the assessment instrument;
 - (2) the number of questions that must be answered correctly to achieve satisfactory performance as determined by the commissioner under Section [39.0241](#)(a);
 - (3) the number of questions that must be answered correctly to achieve satisfactory performance under the college readiness performance standard as provided by Section [39.0241](#); and
 - (4) the corresponding scale scores.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

TEC, §39.025. SECONDARY-LEVEL PERFORMANCE REQUIRED.

- (a) The commissioner shall adopt rules requiring a student in the foundation high school program under Section [28.025](#) to be administered an end-of-course assessment instrument listed in Section [39.023](#)(c) only for a course in which the student is enrolled and for which an end-of-course assessment instrument is administered. A student is required to achieve a scale score that indicates satisfactory performance, as determined by the commissioner under Section [39.0241](#)(a), on each end-of-course assessment instrument administered to the student. For each scale score required under this subsection that is not based on a 100-point scale scoring system, the commissioner shall provide for conversion, in accordance with commissioner rule, of the scale score to an equivalent score based on a 100-point scale scoring system. A student may not receive a high school diploma until the student has performed satisfactorily on end-of-course assessment instruments in the manner provided under this subsection. This subsection does not require a student to demonstrate readiness to enroll in an institution of higher education.
- (a-1) A student enrolled in a college preparatory mathematics or English language arts course under Section [28.014](#) who satisfies the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board under Section [51.334](#) on an assessment instrument designated by the coordinating board under that section administered at the end of the college preparatory mathematics or English language arts course satisfies the requirements concerning and is exempt from the administration of the Algebra I or the English I and English II end-of-course assessment instruments, as applicable, as prescribed by Section [39.023](#)(c), even if the student did not perform satisfactorily on a previous administration of the applicable end-of-course assessment instrument. A student who fails to perform satisfactorily on the assessment instrument designated by the coordinating board under Section [51.334](#) administered as provided by this subsection may retake that assessment instrument for purposes of this subsection or may take the appropriate end-of-course assessment instrument.
- (a-2) The commissioner shall determine a method by which a student's satisfactory performance on an advanced placement test, an international baccalaureate examination, an SAT Subject Test, the SAT, the ACT, or any nationally recognized norm-referenced assessment instrument used by institutions of higher education to award course credit based on satisfactory performance on the assessment instrument shall be used to satisfy the requirements concerning an end-of-course assessment instrument in an equivalent course as prescribed by Subsection (a). The commissioner shall determine a method by which a student's satisfactory performance on the PSAT or the ACT-Plan shall be used to satisfy the requirements concerning an end-of-course assessment instrument in an equivalent course as prescribed by Subsection (a). A student who fails to perform satisfactorily on a test or other assessment instrument authorized under this subsection, other than the PSAT or the ACT-Plan, may retake that test or other assessment instrument for purposes of this subsection or may take the appropriate end-of-course assessment instrument. A student who fails to perform satisfactorily on the PSAT or the ACT-Plan must take the appropriate end-of-course assessment instrument. The commissioner shall adopt rules as necessary for the administration of this subsection.
- (a-3) A student who, after retaking an end-of-course assessment instrument for Algebra I or English II, has failed to perform satisfactorily as required by Subsection (a), but who receives a score of proficient on the Texas Success Initiative (TSI) diagnostic assessment for the corresponding subject for which the student failed to perform satisfactorily on the end-of-course assessment

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

instrument satisfies the requirement concerning the Algebra I or English II end-of-course assessment, as applicable. This subsection expires September 1, 2023.

- (a-4) The admission, review, and dismissal committee of a student in a special education program under Subchapter [A](#), Chapter [29](#), shall determine whether, to receive a high school diploma, the student is required to achieve satisfactory performance on end-of-course assessment instruments.
- (a-5) Notwithstanding Subsection (a), a student who has failed to perform satisfactorily on end-of-course assessment instruments in the manner provided under this section may receive a high school diploma if the student has qualified for graduation under Section [28.0258](#). This subsection expires September 1, 2023.
- (b) Each time an end-of-course assessment instrument adopted under Section [39.023](#)(c) is administered, a student who failed to achieve a score requirement under Subsection (a) may retake the assessment instrument. A student is not required to retake a course as a condition of retaking an end-of-course assessment instrument.
- (b-1) A school district shall provide each student who fails to perform satisfactorily as determined by the commissioner under Section [39.0241](#)(a) on an end-of-course assessment instrument with accelerated instruction in the subject assessed by the assessment instrument.
- (b-2) Repealed by Acts 2015, 84th Leg., R.S., Ch. 934 , Sec. 5(3), eff. June 18, 2015.
- (c) A student who has been denied a high school diploma under this section and who subsequently performs at the level necessary to comply with the requirements of this section shall be issued a high school diploma.
- (c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed:
 - (1) before September 1, 1999; or
 - (2) before amendment by Chapter 1312 (S.B. 1031), Acts of the 80th Legislature, Regular Session, 2007.
- (c-2) A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by Subsection (c-1) an alternate assessment instrument designated by the commissioner. The commissioner shall determine the level of performance considered to be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument applicable to the student described by Subsection (c-1). The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection. The commissioner's determination regarding designation of an appropriate alternate assessment instrument under this subsection and the performance required on the assessment instrument is final and may not be appealed.
- (d) Notwithstanding Subsection (a), the commissioner by rule shall adopt one or more alternative nationally recognized norm referenced assessment instruments under this section to administer to

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

a student to qualify for a high school diploma if the student enrolls after January 1 of the school year in which the student is otherwise eligible to graduate:

- (1) for the first time in a public school in this state; or
 - (2) after an absence of at least four years from any public school in this state.
- (e) The commissioner shall establish a required performance level for an assessment instrument adopted under Subsection (d) that is at least as rigorous as the performance level required to be met under Subsection (a).
- (e-1) Nothing in this section has the effect of prohibiting the administration of an end-of-course assessment instrument listed in Section [39.023\(c\)](#) to a student enrolled below the high school level who is enrolled in the course for which the assessment instrument is adopted. The commissioner shall adopt rules necessary to ensure that the student's performance on the assessment instrument is considered in the same manner for purposes of this section as the performance of a student enrolled at the high school level.
- (f) The commissioner shall by rule adopt a transition plan to implement the amendments made by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007, replacing general subject assessment instruments administered at the high school level with end-of-course assessment instruments. The rules must provide for the end-of-course assessment instruments adopted under Section [39.023\(c\)](#) to be administered beginning with students enrolled in the ninth grade for the first time during the 2011-2012 school year. During the period under which the transition to end-of-course assessment instruments is made:
- (1) for students entering a grade above the ninth grade during the 2011-2012 school year or students repeating ninth grade during the 2011-2012 school year, the commissioner shall retain, administer, and use for purposes of accreditation and other campus and district accountability measures under this chapter the assessment instruments required by Section [39.023\(a\)](#) or (c), as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007; and
 - (2) a student subject to Subdivision (1) may not receive a high school diploma unless the student has performed satisfactorily on the SAT, the ACT, the Texas Success Initiative (TSI) diagnostic assessment, or the current assessment instrument or instruments administered for graduation purposes as provided by Subsection (f-1) or on each required assessment instrument administered under Section [39.023\(c\)](#), as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007.
- (f-1) The commissioner shall establish satisfactory performance levels for the SAT, the ACT, the Texas Success Initiative (TSI) diagnostic assessment, and the current assessment instrument or instruments administered for graduation purposes that are equivalent in rigor to the performance level required to be met under Subsection (a), as that subsection existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular Session, 2007, that qualify a student subject to Subsection (f)(1) to receive a high school diploma. Notwithstanding Subsection (f), the commissioner is not required after September 1, 2017, to maintain and administer assessment instruments administered under Section [39.023\(c\)](#), as that section existed before amendment by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

Session, 2007.

- (f-2) A school district shall determine which assessment or assessments described by Subsection (f-1) qualify a student subject to Subsection (f)(1) to receive a high school diploma from the district.
- (g) Rules adopted under Subsection (f) must require that each student who will be subject to the requirements of Subsection (a) is entitled to notice of the specific requirements applicable to the student. Notice under this subsection must be provided not later than the date the student enters the eighth grade.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

TEC, §39.032. ASSESSMENT INSTRUMENT STANDARDS; CIVIL PENALTY.

- (a) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1210, Sec. 2, eff. June 19, 2009.
- (b) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1210, Sec. 2, eff. June 19, 2009.
- (c) State and national norms of averages shall be computed using data that are not more than eight years old at the time the assessment instrument is administered and that are representative of the group of students to whom the assessment instrument is administered.
- (c-1) The standardization norms computed under Subsection (c) shall be:
 - (1) based on a national probability sample that meets accepted standards for educational and psychological testing; and
 - (2) updated at least every eight years using proven psychometric procedures approved by the State Board of Education.
- (c-2) The eight-year limitation on data to compute norms under this section does not apply if only data older than eight years is available for an assessment instrument. The commissioner by rule may limit the exception created by this subsection based on the type of assessment instrument.
- (d) Repealed by Acts 2009, 81st Leg., R.S., Ch. 1210, Sec. 2, eff. June 19, 2009.
- (e) The State Board of Education shall adopt rules for the implementation of this section and for the maintenance of the security of the contents of all assessment instruments.
- (f) In this section, "assessment instrument" means a group-administered achievement test.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE H. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
CHAPTER 39. PUBLIC SCHOOL SYSTEM ACCOUNTABILITY
SUBCHAPTER B. ASSESSMENT OF ACADEMIC SKILLS

TEC, §39.033. VOLUNTARY ASSESSMENT OF PRIVATE SCHOOL STUDENTS.

- (a) Under an agreement with the agency, a private school may administer an assessment instrument adopted under this subchapter to students at the school.
- (b) An agreement under this section must require the private school to:
 - (1) as determined appropriate by the commissioner, provide to the commissioner the information described by Sections [39.053\(c\)](#) and [39.301\(c\)](#); and
 - (2) maintain confidentiality in compliance with Section [39.030](#).
- (c) A private school must reimburse the agency for the cost of administering an assessment instrument under this section. The State Board of Education shall determine the cost under this section. The per-student cost may not exceed the cost of administering the same assessment to a student enrolled in a public school district.
- (d) In this section, "private school" means a school that:
 - (1) offers a general education to elementary or secondary students; and
 - (2) is not operated by a governmental entity.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 43. PERMANENT SCHOOL FUND AND AVAILABLE SCHOOL FUND

TEC, §43.004. WRITTEN INVESTMENT OBJECTIVES; PERFORMANCE EVALUATION.

- (a) The State Board of Education shall develop written investment objectives concerning the investment of the permanent school fund. The objectives may address desired rates of return, risks involved, investment time frames, and any other relevant considerations.
- (b) The board shall employ a well-recognized performance measurement service to evaluate and analyze the investment results of the permanent school fund. The service shall compare investment results with the written investment objectives developed by the board, and shall also compare the investment of the permanent school fund with the investment of other public and private funds.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 44. FISCAL MANAGEMENT
SUBCHAPTER A. SCHOOL DISTRICT FISCAL MANAGEMENT

TEC, §44.001. FISCAL GUIDELINES.

- (a) The commissioner shall establish advisory guidelines relating to the fiscal management of a school district.
- (b) The commissioner shall report annually to the State Board of Education the status of school district fiscal management as reflected by the advisory guidelines and by statutory requirements.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 44. FISCAL MANAGEMENT
SUBCHAPTER A. SCHOOL DISTRICT FISCAL MANAGEMENT

TEC, §44.002. PREPARATION OF BUDGET.

- (a) On or before a date set by the State Board of Education, the superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the district for the following fiscal year.
- (b) The budget must be prepared according to generally accepted accounting principles, rules adopted by the State Board of Education, and adopted policies of the board of trustees.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 44. FISCAL MANAGEMENT
SUBCHAPTER A. SCHOOL DISTRICT FISCAL MANAGEMENT

TEC, §44.007. ACCOUNTING SYSTEM; REPORT.

- (a) A standard school fiscal accounting system must be adopted and installed by the board of trustees of each school district. The accounting system must conform with generally accepted accounting principles.
- (b) The accounting system must meet at least the minimum requirements prescribed by the commissioner, subject to review and comment by the state auditor.
- (c) A record must be kept of all revenues realized and of all expenditures made during the fiscal year for which a budget is adopted. A report of the revenues and expenditures for the preceding fiscal year shall be filed with the agency on or before the date set by the State Board of Education.
- (d) The State Board of Education shall require each district, as part of the report required by this section, to include management, cost accounting, and financial information in a format prescribed by the board and in a manner sufficient to enable the board to monitor the funding process and determine educational system costs by district, campus, and program.
- (e) Expired.
- (f) Expired.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 44. FISCAL MANAGEMENT
SUBCHAPTER A. SCHOOL DISTRICT FISCAL MANAGEMENT

TEC, §44.008. ANNUAL AUDIT; REPORT.

- (a) The board of school trustees of each school district shall have its school district fiscal accounts audited annually at district expense by a certified or public accountant holding a permit from the Texas State Board of Public Accountancy. The audit must be completed following the close of each fiscal year.
- (b) The independent audit must meet at least the minimum requirements and be in the format prescribed by the State Board of Education, subject to review and comment by the state auditor. The audit shall include an audit of the accuracy of the fiscal information provided by the district through the Public Education Information Management System (PEIMS).
- (c) Each treasurer receiving or having control of any school fund of any school district shall keep a full and separate itemized account with each of the different classes of its school funds coming into the treasurer 's hands. The treasurer 's records of the district 's itemized accounts and records shall be made available to audit.
- (d) A copy of the annual audit report, approved by the board of trustees, shall be filed by the district with the agency not 11 later than the 150th day after the end of the fiscal year for which the audit was made. If the board of trustees declines or refuses to approve its auditor 's report, it shall nevertheless file with the agency a copy of the audit report with its statement detailing reasons for failure to approve the report.
- (e) The audit reports shall be reviewed by the agency, and the commissioner shall notify the board of trustees of objections, violations of sound accounting practices or law and regulation requirements, or of recommendations concerning the audit reports that the commissioner wants to make. If the audit report reflects that penal laws have been violated, the commissioner shall notify the appropriate county or district attorney and the attorney general. The commissioner shall have access to all vouchers, receipts, district fiscal and financial records, and other school records as the commissioner considers necessary and appropriate for the review, analysis, and passing on audit reports.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 44. FISCAL MANAGEMENT
SUBCHAPTER A. SCHOOL DISTRICT FISCAL MANAGEMENT

TEC, §44.010. REVIEW BY AGENCY.

The budgets, fiscal reports, and audit reports filed with the agency shall be reviewed and analyzed by the staff of the agency to determine whether all legal requirements have been met and to collect fiscal data needed in preparing school fiscal reports for the governor and the legislature.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 45. SCHOOL DISTRICT FUNDS
SUBCHAPTER C. GUARANTEED BONDS

TEC, §45.053. LIMITATION; VALUE ESTIMATES.

- (a) Except as provided by Subsection (d), the commissioner may not approve bonds for guarantee under this subchapter if the approval would result in the total amount of outstanding guaranteed bonds under this subchapter exceeding an amount equal to 2-1/2 times the cost value of the permanent school fund, as estimated by the board and certified by the state auditor.
- (b) Each year, the state auditor shall analyze the status of guaranteed bonds under this subchapter as compared to the cost value of the permanent school fund. Based on that analysis, the state auditor shall certify whether the amount of bonds guaranteed under this subchapter is within the limit prescribed by this section.
- (c) The commissioner shall prepare and the board shall adopt an annual report on the status of the guaranteed bond program under this subchapter.
- (d) The board by rule may increase the limit prescribed by Subsection (a) to an amount not to exceed five times the cost value of the permanent school fund, provided that the increased limit is consistent with federal law and regulations and does not prevent the bonds to be guaranteed from receiving the highest available credit rating, as determined by the board. The board shall at least annually consider whether to change any limit in accordance with this subsection. This subsection may not be construed in a manner that impairs, limits, or removes the guarantee of bonds that have been approved by the commissioner.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 45. SCHOOL DISTRICT FUNDS
SUBCHAPTER G. SCHOOL DISTRICT DEPOSITORIES

TEC, §45.206. BID OR REQUEST FOR PROPOSAL NOTICES; BID AND PROPOSAL FORMS.

- (a) Not later than the 60th day before the date a school district's current depository contract expires, the district shall choose whether to select a depository through competitive bidding or through requests for proposals.
- (a-1) If a school district chooses under Subsection (a) to use competitive bidding, the district shall, not later than the 30th day before the date the current depository contract expires, mail to each bank located in the district and, if desired, to other banks, a notice stating the time and place in which bid applications will be received for selecting a depository or depositories. The notice must include a uniform bid blank in the form prescribed by State Board of Education rule.
- (a-2) If a school district chooses under Subsection (a) to use requests for proposals, the district shall, not later than the 30th day before the date the current depository contract expires, mail to each bank located in the district and, if desired, to other banks, a notice stating the time and place in which proposals will be received for selecting a depository or depositories. The notice must include a uniform proposal blank in the form prescribed by State Board of Education rule.
- (b) The school district may add to the uniform bid or proposal blank other terms that do not unfairly restrict competition between banks in or near the territory of the district.
- (c) Interest rates may be stated in the bid or proposal either as a fixed rate, as a percentage of a stated base rate, in relation to a stated prevailing rate varying from time to time, or in any other manner, but in every case in a uniform manner, that will permit comparison with other bids or proposals received.
- (d) If the school district chooses under Subsection (a) to use requests for proposals, the district shall state the selection criteria, including the factors specified under Section [45.207\(c\)](#), in the request for proposals and shall select the proposal that offers the best value to the district based on the evaluation and ranking of each submitted proposal in relation to the stated selection criteria. A district may negotiate with the bank that submits the highest-ranked proposal to determine any terms of the proposed depository contract other than the interest rates proposed.

TEXAS EDUCATION CODE
TITLE 2. PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 45. SCHOOL DISTRICT FUNDS
SUBCHAPTER G. SCHOOL DISTRICT DEPOSITORIES

TEC, §45.208. DEPOSITORY CONTRACT; BOND.

- (a) The bank or banks selected as the depository or depositories and the school district shall enter into a depository contract or contracts, bond or bonds, or other necessary instruments setting forth the duties and agreements pertaining to the depository, in a form and with the content prescribed by the State Board of Education. The parties shall attach to the contract and incorporate by reference the bid or proposal of the depository.
- (b) The depository bank shall attach to the contract and file with the school district a bond in an initial amount equal to the estimated highest daily balance, determined by the board of trustees of the district, of all deposits that the school district will have in the depository during the term of the contract, less any applicable Federal Deposit Insurance Corporation insurance. The bond must be payable to the school district and must be signed by the depository bank and by some surety company authorized to do business in this state. The depository bank shall increase the amount of the bond if the board of trustees determines it to be necessary to adequately protect the funds of the school district deposited with the depository bank.
- (c) The bond shall be conditioned on:
 - (1) the faithful performance of all duties and obligations devolving by law on the depository;
 - (2) the payment on presentation of all checks or drafts on order of the board of trustees of the school district, in accordance with its orders entered by the board of trustees according to law;
 - (3) the payment on demand of any demand deposit in the depository;
 - (4) the payment, after the expiration of the period of notice required, of any time deposit in the depository;
 - (5) the faithful keeping of school funds by the depository and the accounting for the funds according to law; and
 - (6) the faithful paying over to the successor depository all balances remaining in the accounts.
- (d) The bond and the surety on the bond must be approved by the board of trustees of the school district. A premium on the depository bond may not be paid out of school district funds

- (e) Repealed by Acts 2019, 86th Leg., R.S., Ch. 439 (S.B. [1376](#)), Sec. 4.01(a)(8), eff. June 4, 2019.
- (f) In lieu of the bond required under Subsection (b), the depository bank may deposit or pledge, with the school district or with a trustee designated by the school district, approved securities in an amount sufficient to adequately protect the funds of the school district deposited with depository bank. A depository bank may give a bond and deposit or pledge approved securities in an aggregate amount sufficient to adequately protect the funds of the school district deposited with the depository bank. The school district shall designate from time to time the amount of approved securities or the aggregate amount of the bond and approved securities to adequately protect the district. The district may not designate an amount less than the balance of school district funds on deposit with the depository bank from day to day, less any applicable Federal Deposit Insurance Corporation insurance. The depository bank may substitute approved securities on obtaining the approval of the school district. For purposes of this subsection, the approved securities are valued at their market value.

TEXAS EDUCATION CODE
TITLE 2: PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 48 [42]. FOUNDATION SCHOOL PROGRAM
SUBCHAPTER A. GENERAL PROVISIONS

TEC, §48.004 [~~42.004~~]. ADMINISTRATION OF THE PROGRAM.

The commissioner, [~~in accordance with the rules of the State Board of Education,~~] shall adopt rules and take [~~such~~] action and require [~~such~~] reports consistent with this chapter as [~~may be~~] necessary to implement and administer the Foundation School Program.

TEXAS EDUCATION CODE
TITLE 2: PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 48. FOUNDATION SCHOOL PROGRAM
SUBCHAPTER C. STUDENT-BASED ALLOTMENTS

TEC, §48.104. COMPENSATORY EDUCATION ALLOTMENT.

- (a) For each student who does not have a disability and resides in a residential placement facility in a district in which the student's parent or legal guardian does not reside, a district is entitled to an annual allotment equal to the basic allotment multiplied by 0.2 or, if the student is educationally disadvantaged, 0.275. For each full-time equivalent student who is in a remedial and support program under Section [29.081](#) because the student is pregnant, a district is entitled to an annual allotment equal to the basic allotment multiplied by 2.41.
- (b) For each student who is educationally disadvantaged and resides in an economically disadvantaged census block group as determined by the commissioner under Subsection (c), a district is entitled to an annual allotment equal to the basic allotment multiplied by the weight assigned to the student's census block group under Subsection (d).
- (c) For purposes of the allotment under Subsection (b), the commissioner shall establish an index for economically disadvantaged census block groups in the state that provides criteria for determining which census block groups are economically disadvantaged and categorizes economically disadvantaged census block groups in five tiers according to relative severity of economic disadvantage. In determining the severity of economic disadvantage in a census block group, the commissioner shall consider:
 - (1) the median household income;
 - (2) the average educational attainment of the population;
 - (3) the percentage of single-parent households;
 - (4) the rate of homeownership; and
 - (5) other economic criteria the commissioner determines likely to disadvantage a student's preparedness and ability to learn.
- (d) The weights assigned to the five tiers of the index established under Subsection (c) are, from least to most severe economic disadvantage, 0.225, 0.2375, 0.25, 0.2625, and 0.275.
- (e) If insufficient data is available for any school year to evaluate the level of economic disadvantage in a census block group, a school district is entitled to an annual allotment equal to the basic allotment multiplied by 0.225 for each student who is educationally disadvantaged and resides in that census block group.
- (f) A student receiving a full-time virtual education through the state virtual school network may be included in determining the number of students who are educationally disadvantaged and reside in an economically disadvantaged census block group under Subsection (b) or (e), as applicable, if the school district submits to the commissioner a plan detailing the enhanced services that will be provided to the student and the commissioner approves the plan.
- (g) Not later than March 1 of each year, the commissioner shall:
 - (1) review and, if necessary, update the index established under Subsection (c) to be used for the following school year, based on the most recent estimates published by the United States Census Bureau; and
 - (2) notify each school district of any changes to the index.

TEXAS EDUCATION CODE
TITLE 2: PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 48. FOUNDATION SCHOOL PROGRAM
SUBCHAPTER C. STUDENT-BASED ALLOTMENTS

- (h) The state demographer, the Department of Agriculture, and any other state agency with relevant information shall assist the commissioner in performing the commissioner's duties under this section.
- (i) On a schedule determined by the commissioner, each school district shall report to the agency the census block group in which each student enrolled in the district who is educationally disadvantaged resides. The agency shall provide to school districts a resource for use in determining the census block group in which a student resides.
- (j) The commissioner shall adopt rules for the method of determining the number of students who qualify for an allotment under this section at a campus that participates in the Community Eligibility Provision administered by the United States Department of Agriculture, as provided by the Healthy, Hunger-Free Kids Act of 2010 (Pub. L. No. 111-296).
- (j-1) In addition to other purposes for which funds allocated under this section may be used, those funds may also be used to:
 - (1) provide child-care services or assistance with child-care expenses for students at risk of dropping out of school, as described by Section [29.081](#)(d)(5); or
 - (2) pay the costs associated with services provided through a life skills program in accordance with Sections [29.085](#)(b)(1) and (3)-(7).
- (k) At least 55 percent of the funds allocated under this section must be used to:
 - (1) fund supplemental programs and services designed to eliminate any disparity in performance on assessment instruments administered under Subchapter [B](#), Chapter [39](#), or disparity in the rates of high school completion between:
 - (A) students who are educationally disadvantaged and students who are not educationally disadvantaged; and
 - (B) students at risk of dropping out of school, as defined by Section [29.081](#), and all other students; or
 - (2) support a program eligible under Title I of the Elementary and Secondary Education Act of 1965, as provided by Pub. L. No. 103-382 and its subsequent amendments, and by federal regulations implementing that Act.
- (l) The commissioner shall adopt rules regarding the use of funds described by Subsection (k). The rules:
 - (1) must:
 - (A) permit a school district to use those funds for programs and services that reflect the needs of students at each campus in the district; and
 - (B) provide for streamlined reporting on the use of those funds; and
 - (2) may not prohibit the use of those funds for any purpose for which the use of those funds was authorized under former Section 42.152 as that section existed on September 1, 2018.
- (m) The State Board of Education shall adopt rules requiring a report on the use of funds under Subsection (k) as part of the annual audit under Section [44.008](#) and shall develop minimum

TEXAS EDUCATION CODE
TITLE 2: PUBLIC EDUCATION
SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT
CHAPTER 48. FOUNDATION SCHOOL PROGRAM
SUBCHAPTER C. STUDENT-BASED ALLOTMENTS

requirements for that report.

- (n) The commissioner annually shall review each report required under Subsection (m) for the preceding school year and:
 - (1) identify each school district that was not in compliance with Subsection (k) during that school year; and
 - (2) provide each district identified under Subdivision (1) a reasonable opportunity to comply with Subsection (k).

- (o) The commissioner, in the year following a determination under Subsection (n) that a school district was not in compliance with Subsection (k) for the 2021-2022 school year or a subsequent school year, shall withhold from the district's foundation school fund payment an amount equal to the amount of compensatory education funds the commissioner determines were not used in compliance with Subsection (k). The commissioner shall release to a district funds withheld under this subsection when the district provides to the commissioner a detailed plan to spend those funds in compliance with Subsection (k). In determining whether a school district is subject to the withholding of funding required under this subsection, the commissioner may consider the district's average use of funds for the three preceding school years.

TEXAS GOVERNMENT CODE
TITLE 10. GENERAL GOVERNMENT
SUBTITLE A. ADMINISTRATIVE PROCEDURE AND PRACTICE
CHAPTER 2001. ADMINISTRATIVE PROCEDURE
SUBCHAPTER B. RULEMAKING

TGC, §2001.021. PETITION FOR ADOPTION OF RULES.

- (a) An interested person by petition to a state agency may request the adoption of a rule.
- (b) A state agency by rule shall prescribe the form for a petition under this section and the procedure for its submission, consideration, and disposition. If a state agency requires signatures for a petition under this section, at least 51 percent of the total number of signatures required must be of residents of this state.
- (c) Not later than the 60th day after the date of submission of a petition under this section, a state agency shall:
 - (1) deny the petition in writing, stating its reasons for the denial; or
 - (2) initiate a rulemaking proceeding under this subchapter.
- (d) For the purposes of this section, an interested person must be:
 - (1) a resident of this state;
 - (2) a business entity located in this state;
 - (3) a governmental subdivision located in this state; or
 - (4) a public or private organization located in this state that is not a state agency.

TEXAS GOVERNMENT CODE
TITLE 10. GENERAL GOVERNMENT
SUBTITLE A. ADMINISTRATIVE PROCEDURE AND PRACTICE
CHAPTER 2001. ADMINISTRATIVE PROCEDURE
SUBCHAPTER B. RULEMAKING

TGC, §2001.039. AGENCY REVIEW OF EXISTING RULES.

- (a) A state agency shall review and consider for readoption each of its rules in accordance with this section.
- (b) A state agency shall review a rule not later than the fourth anniversary of the date on which the rule takes effect and every four years after that date. The adoption of an amendment to an existing rule does not affect the dates on which the rule must be reviewed except that the effective date of an amendment is considered to be the effective date of the rule if the agency formally conducts a review of the rule in accordance with this section as part of the process of adopting the amendment.
- (c) The state agency shall readopt, readopt with amendments, or repeal a rule as the result of reviewing the rule under this section.
- (d) The procedures of this subchapter relating to the original adoption of a rule apply to the review of a rule and to the resulting repeal, readoption, or readoption with amendments of the rule, except as provided by this subsection. Publishing the Texas Administrative Code citation to a rule under review satisfies the requirements of this subchapter relating to publishing the text of the rule unless the agency readopts the rule with amendments as a result of the review.
- (e) A state agency's review of a rule must include an assessment of whether the reasons for initially adopting the rule continue to exist.

MINUTES

STATE BOARD OF EDUCATION

JANUARY 2021

Minutes

State Board of Education

January 26, 2021

Minutes
State Board of Education
January 26, 2021

The State Board of Education met at 10:06 a.m. on Tuesday, January 26, 2021, 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.; Rebecca Bell-Metereau; Ruben Cortez, Jr.; Aicha Davis; Patricia Hardy; Will Hickman; Jay Johnson; Pam Little; Tom Maynard; Sue Melton-Malone; Georgina C. Pérez; Marisa B. Perez-Diaz (virtual); Matt Robinson; Audrey Young

1. Swearing-in Ceremony for Members of the State Board of Education
(Board agenda page SBOE-1)

The Honorable Dan Huberty, Texas House of Representatives, administered the Oath of Office to Rebecca Bell-Metereau, Will Hickman, Audrey Young, and Jay Johnson, the newly elected members of State Board of Education (SBOE) Districts 5, 6, 8, and 15, respectively; and the following re-elected SBOE members: Georgina C. Pérez, District 1; Keven Ellis, District 9; Tom Maynard, District 10; and Sue Melton-Malone, District 14.

2. Review and Adoption of State Board of Education Operating Rules
(Board agenda page SBOE-2)

MOTION AND VOTE: *It was moved by Mr. Hickman and carried to amend §1.1(a)(1) to read as follows:*

“(a) Selection.

- (1) The vice chair and secretary of the board shall be elected by a majority vote in accordance with Texas Education Code, §7.107, to serve for a term of two years and until their successors are elected.”

MOTION AND VOTE: *It was moved by Mr. Hickman and carried to amend §1.1(a)(2) to read as follows:*

- “(2) ~~In case of death or resignation of the vice chair or the secretary of the board, the board shall elect a board member to fill the vacancy for the unexpired term of that officer at the next board meeting.~~ Either of these officers may be removed from office by a vote of not less than two-thirds of the membership of the board.
- (3) In case of death or resignation of the vice chair or the secretary of the board, the board shall elect by a majority vote a board member to fill the vacancy for the unexpired term of that officer at the next board meeting.”

MOTION AND VOTE: *It was moved by Mrs. Little, seconded by Mrs. Melton-Malone, and carried to amend §1.2 to read as follows:*

“(a) The standing committees of the board and their areas of oversight are:

Committee of the Full Board

1. Public testimony
2. Establishment of essential knowledge and skills (TEKS)
3. Instructional materials proclamations and adoption of instructional materials
4. Consideration of the Commissioner of Education’s open-enrollment charter school proposals

Committee on Instruction

1. Establishment of curriculum and graduation requirements
2. Curriculum implementation (including credit by examination, Texas Advanced Placement Incentive Program, and procedures concerning dyslexia and related disorders)
- ~~3. Instructional materials proclamations~~
4. 3. Student assessment program implementation
- ~~5.~~ 4. General education
- ~~6.~~ 5. Education of individuals with disabilities
- ~~7.~~ 6. Gifted and talented education
- ~~8.~~ 7. Adult education
- ~~9.~~ 8. Library standards
- ~~10.~~ 9. Texas School for the Blind and Visually Impaired/Texas School for the Deaf

Committee on School Finance/Permanent School Fund

1. State and federal funding issues
2. Financial budgeting, reporting, and regulation
3. Contract and grant approval
4. Instructional materials financing and operations
- ~~5. Review commissioner’s annual FSP budget~~
- ~~6.~~ 5. Community education funding
- ~~7.~~ 6. Oversight of the Bond Guarantee Program
8. 7. Permanent School Fund management oversight, including audit responsibility, investment objectives, and investment decisions

Committee on School Initiatives

1. Long-range plans required by statute
2. Educational technology and telecommunications
3. Review and evaluation of charter school applications, revisions, and amendments the commissioner of education proposes to grant
4. State Board for Educator Certification rules review
5. School board member training policy
6. Hearing examiners
7. Military reservation and special purpose school districts
8. Extracurricular activities
9. Home-rule school district probation and revocation

(b) Amendments to the areas of committee oversight reflecting new or changing board responsibilities may be made during the board’s periodic operating rules review or by means of resolution addressing the change in responsibilities should such change occur between the operating rules review.

- (c) Committees may receive information, investigate, study and report to the board. The board may from time to time define by resolution the areas of oversight of each committee as may be necessary. Each committee shall review and make recommendations on the board agenda items falling under its areas of oversight; except that the chair of the board, in consultation with the respective committee chair, may designate any board agenda item for review and recommendation by the Committee of the Full Board.
- (d) The Committee of the Full Board shall be composed of all members of the board, and the chair of the board shall be the chair of the Committee of the Full Board.
- (e) The Committees on Instruction, School Finance/Permanent School Fund, and School Initiatives shall be composed of five members selected by the officers of the board. Each member will serve on one committee in addition to the Committee of the Full Board. The officers of the board shall request in writing the committee choices of the members ranked in order of preference and shall make committee assignments in the public view for terms of two years at the organizational meeting after the qualification of new members as the next order of business following election of board officers and adoption of rules. Vacancies shall be filled in a similar fashion. In addition to preference, the officers of the board shall also consider seniority (total years of service), ethnicity balance, gender balance, and relevant qualifications specific to a committee assignment in making committee assignments. Each committee shall elect a chair from among its members and the chair may appoint a vice chair. An officer of the board is not eligible to serve as the chair of a standing committee.
- (f) ~~Ad hoc committees.~~ Ad hoc committees (i.e., task forces) may be constituted from time to time as directed by a vote of the board or by the chair to perform such duties as the board or chair may assign. The personnel and length of service of ad hoc committees shall be designated by the chair unless otherwise directed by a vote of the board. No action taken by any ad hoc committee shall be final or binding upon the board unless otherwise directed by a vote of the board.
- (g) From time to time committees may find it necessary to request legal opinions, comprehensive studies, or reports to be prepared by the staff to aid the committees in their deliberations. To ensure clarity and coordination, all such requests shall be directed to ~~the Division of State Board of Education Support staff~~ and shall be reflected in the minutes of the committee meeting. The Chair or the Commissioner may request that the Attorney General ~~to~~ issue an opinion under Texas Government Code §402.042.”

MOTION AND VOTE: *It was moved by Dr. Bell-Metereau, seconded by Ms. Hardy, and carried to amend §1.2(g) to replace “From time to time” with “Occasionally.”*

MOTION AND VOTE: *It was moved by Ms. Pérez and seconded by Ms. Davis to move “review and evaluation of charter school applications, revisions, and amendments to commissioner of education proposes to grant” to the oversight of the Committee of the Full Board. The motion failed.*

MOTION AND VOTE: *It was moved by Mr. Hickman and seconded by Ms. Hardy to strike “seniority (total years of service), ethnicity balance, gender balance, and” from §1.2(e) and add “experience.” The motion failed.*

MOTION AND VOTE: *It was moved by Mr. Hickman, seconded by Mr. Cortez, and carried to add “racial diversity” and “geographic balance” to §1.2(e).*

VOTE: *A vote was taken on the original motion to amend §1.2, as amended. The motion carried.*

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone, seconded by Ms. Hardy, and carried to add the following language to §2.3:*

“The chair may limit in-person attendance at a meeting to ensure health and safety of board members and members of the public. In such instances, governor’s orders shall be followed and members of the public shall be given access to view all portions of the meetings virtually.”

MOTION AND VOTE: *It was moved by Mr. Maynard, seconded by Ms. Hardy, and carried to amend §2.5 to read as follows:*

~~“(a) The commissioner of education shall prepare and submit to each member of the board, prior to each meeting, a draft agenda schedule, listing item titles with short summaries of each item. Other than as is provided in subsection (b) and (c) of this section, all agenda items are subject to the approval of the chair of the board. Materials supplementing the agenda may be included. Official agendas will be available the day of the board meeting.~~

(a) The chair has the primary responsibility for creating the SBOE meeting agendas. This includes the SBOE agenda, the Committee of the Full Board agenda, and all committee agendas. Other than as provided in this subsection and subsections (b) and (c) of this section, all agenda items are subject to the approval of the chair. If a member wishes an item to be placed on the agenda of the Committee of the Full Board, the member should request in writing that the chair place the item on the agenda. The chair will respond in writing whether or not the item will be placed on the agenda. If the chair declines in writing to place the item on the agenda, the member may make a motion during a board meeting to include the item on the agenda. If the board approves the request, it is placed on the agenda of the Committee of the Full Board for the next meeting.

(b) The chairs of the Committee on Instruction, Committee on School Finance/Permanent School Fund, Committee on School Initiatives, and ad hoc committees shall collaborate with the board chair regarding items to be placed on their respective committee agendas. Committee agendas shall include statutorily mandated motions, items assigned to the committee by the board chair, items posted at the discretion of the committee chair and items voted on as set out in subsection (c) below. Committee chairs may post discussion items per their discretion, but action items must be approved by the board chair, subject to the process set out in (c) below.

(c) Any member of the board may request that a committee chair, ~~other than the Committee of the Full Board,~~ place an item on the agenda of that chair’s committee, other than the Committee of the Full Board, as either a discussion item or an action item. If the committee chair agrees, the item is placed on the agenda of that chair’s committee in accordance with the member’s request, subject to the approval of the board chair. If the committee chair denies the member’s request, the member may appeal the denial to the board chair. If the board chair denies the request, the member may appeal the denial to the board. If the board approves the request, it is placed on the agenda of the committee to which the request was made at the next meeting of that committee.

(d) A subject on the agenda that is outside the scope of the board’s authority may only be considered by the board or the Committee of the Full Board by a vote of a majority of the membership of the board. The chair, in consultation with Agency legal counsel, shall make a determination of whether an item is outside the scope of the board’s authority when preparing the agenda. Any member may move to place an item determined by the chair to be outside the scope of the board’s authority on the agenda for a subsequent meeting.

(e) The commissioner of education shall prepare and submit to each member of the board, prior to each meeting, a draft agenda schedule listing item titles with short summaries of each item.

Materials supplementing the agenda may be included. Official agendas will be available the day of the board meeting.”

MOTION AND VOTE: *It was moved by Mrs. Little, seconded by Mrs. Melton-Malone, and carried to amend §2.6 to read as follows:*

“§2.6. Official Transaction of Business.

- (a) The board shall transact official business only when in session with a quorum present. Unless otherwise provided by law, in order for a board action to be final, it must be approved by a majority of the board members present and voting.
- (b) The chair may authorize the board to meet via remote video or web conference ~~and~~. As required by Government Code §551.127(c), if videoconference calling technology is used, the meeting location where the presiding officer of the meeting is present must be open to the public, except during executive sessions. The chair may limit the number of remote ~~video~~ conference locations in the interest of decorum and ~~teleconference~~ capacity.
- (c) The chair may modify procedures for conducting meetings of the board if emergency protocols are enacted by the governor related to a pandemic or similar event. In such instances, governor’s orders and emergency rules shall be followed.
- (d) If a board member participates in a meeting virtually, the board member must be visible by video and must have capabilities to be heard by other board members and members of the public. A member who is not present on camera during a vote of the board will be noted as absent for the vote.
- (e) No posters, props, or other visual displays are allowed by board members within the meeting rooms or at remote locations without permission from the presiding chair.”

MOTION AND VOTE: *It was moved by Mr. Maynard and carried to amend §2.9 to change a reference from “Division of State Board of Education Support” to “State Board of Education Support staff” in subsection (a) and to correct a reference to 19 TAC §66.66(b) in subsection (c).*

MOTION: *It was moved by Ms. Davis and seconded by Mr. Allen to amend §2.9(c)(4)(B) to strike “patriotism” and add “democracy.”*

MOTION AND VOTE: *It was moved by Mr. Hickman and carried to retain “patriotism.”*

VOTE: *A vote was taken on the motion to amend §2.9(c)(4)(B) to add “democracy.” The motion carried.*

MOTION AND VOTE: *It was moved by Dr. Bell-Metereau and seconded by Ms. Davis to strike §2.9(c)(4)(D)(i). The motion failed.*

MOTION: *It was moved by Ms. Hardy to amend §2.10(a)(1) and (b)(1) and (c) to read as follows:*

“(a) General Provisions.

- (1) In accordance with Texas Education Code, §7.110, the board shall provide opportunity for oral public testimony at regular committee meetings, special meetings, and at regularly scheduled meetings of the State Board of Education.”

“(b) Registration Procedures.

- (1) Individuals may register between the hours of 8 a.m. (Central Time) on the ~~Friday~~ Thursday preceding the board meeting and 5 p.m. (~~Central Time~~) on the ~~Monday~~ Friday preceding the board meeting on the agency website at <https://tea.texas.gov/PublicTestimonySBOE/>, ~~or by facsimile at (512) 936-4319~~, or, during normal operating hours, by telephone at (512) 463-9007 or in person at the William B. Travis (WBT) State Office Building, 1701 N. Congress, room 1-109, Austin, Texas 78701.”

“(c) Oral Public Testimony to Committees.

- (1) Oral public testimony to committees is limited to the topics posted for action or discussion on committee agendas at that specific committee meeting.
- (2) In order to maximize the total number of testifiers who are able to provide oral testimony, ~~two- Three-~~ minute time limits on individual oral testimony will be imposed unless modified by the presiding chair.
- (3) The presiding chair shall designate whether oral public testimony shall be taken at the beginning of the meeting or at the time the related item is taken up by the committee ~~after staff has presented the item.~~
- (4) The presiding chair shall take steps to ensure that individuals will be given priority over registered lobbyists. The committee, without debate, may allow a person to testify for clarification and informational purposes, whether or not he/she has registered or previously testified. The person is not required to honor the request.”

MOTION AND VOTE: *It was moved by Mr. Hickman and seconded by Mrs. Little to strike “Thursday” and insert “Wednesday” in §2.10(b)(1). The motion failed.*

VOTE: *A vote was taken on the original motion to amend §2.10(a)(1) and (b)(1) and (c). The motion carried.*

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone and carried to strike “Three” and add “Two” in §2.10(d)(2).*

MOTION AND VOTE: *It was moved by Dr. Young, seconded by Mr. Hickman, and carried to split the language in §2.10(a)(5) and renumber §2.10(a)(6) as follows:*

- “(5) The presiding chair shall determine which speakers will be heard and the order in which they will be heard if the number exceeds that number which may reasonably be expected to testify in the allotted time for presentations.
- (6) The presiding chair shall ~~also~~ determine whether speakers who did not register or who registered late will be heard and whether persons asking to testify as a substitute for a registered speaker may do so.
- (7) ~~(6)~~ The board, without debate, may allow a person to testify for clarification and informational purposes, whether or not he/she has registered or previously testified. The person is not required to honor the request.”

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone, seconded by Mr. Maynard, and carried to amend §2.12(a)(2) and (c) to read as follows:*

“(a) Types of Public Hearings.

- (2) Other types of hearings. The board may also hold public hearings on proposed actions, such as those relating to adoption of Texas Essential Knowledge and Skills (TEKS) and instructional materials issues. The public hearing shall be conducted before the appropriate board committee as determined by the board chair in accordance with the areas of oversight defined in board operating rules. Public hearings regarding the instructional materials adoption process are governed by 19 TAC §66.60. Public hearings regarding revision of the TEKS are governed by the SBOE-approved TEKS review and revision process.”

“(c) The presiding chair shall establish the procedures for conducting the public hearing. These procedures shall include, but are not limited to, the following:

- (3) Establishing time limits for speakers, generally ~~three~~ two minutes each;”

MOTION: *It was moved by Dr. Bell-Metereau and seconded by Mr. Cortez to amend §2.12(d) and (e) to read as follows:*

“(d) Persons who testify at a public hearing shall bring twenty (20) ~~thirty five (35)~~ collated or stapled copies of their testimony for distribution to board members and agency executive staff.

(e) Persons who were unable to testify at a public hearing due to time constraints may provide twenty (20) ~~thirty five (35)~~ collated or stapled copies of their testimony to agency staff for distribution to board members and agency executive staff.”

MOTION AND VOTE: *It was moved by Mr. Hickman, seconded by Mr. Cortez, and carried to strike “shall” and add “may” in §2.12(d).*

VOTE: *A vote was taken on the original motion to amend §2.12(d) and (e), as amended. The motion carried.*

MOTION AND VOTE: *It was moved by Mrs. Melton-Malone, seconded by Dr. Robinson, and carried to add “ride share services” to §3.1(d)(1).*

MOTION AND VOTE: *It was moved by Mr. Maynard, seconded by Ms. Hardy, and carried to amend §3.2 to change a reference from “Division of State Board of Education Support” to “State Board of Education Support staff” in subsection (b).*

MOTION AND VOTE: *It was moved by Mr. Hickman and carried to amend §5.4 to read as follows:*

“The commissioner may approve and file with the Secretary of State non-substantive corrections to State Board of Education rules. Non-substantive rule corrections may only include typographical, grammatical, referencing, or spelling errors and technical edits to comply with Texas Register style and format requirements. The commissioner will provide a mark-up of any such corrections to the board.”

MOTION AND VOTE: *It was moved by Dr. Bell-Metereau and seconded by Dr. Young to amend §6.1 to strike “Committee of Investment Advisors (CIA)” and add “Investment Advisors Committee.” The motion failed.*

MOTION AND VOTE: *It was moved by Mr. Maynard, seconded by Ms. Hardy, and carried to add a new Chapter 7 to read as follows:*

“Chapter 7 Nominations for Gubernatorial Appointments

7.1 Pursuant to statute, the State Board of Education shall submit to the Governor lists of citizens from which appointments are to be made for the boards described in this section: Teacher Retirement System Board of Trustees and School Land Board.

7.2 The Chair and/or his or her designee shall work collaboratively with staff and the Governor’s Appointments Office to establish appropriate timelines for the placement on the agenda to meet appointment timelines and that proper criteria is applied by the State Board of Education.

7.3 The board shall select nominees in such a manner as to facilitate adherence to diversity of appointments: “In each case in which the governing body of a state board, commission, or other state agency that has statewide jurisdiction is appointed by the governor or another appointing authority, the governor or appointing authority shall ensure that, to the extent possible, the membership of the governing body reflects the racial, ethnic, and geographic diversity of this state.” (§651.009(a), Government Code)

7.4 Teacher Retirement System: The Governor shall appoint two members of the TRS board of trustees, subject to confirmation by two-thirds of the senate, from lists of nominees submitted by the State Board of Education. These persons must be persons who have demonstrated financial expertise, have worked in private business or industry, and have broad investment experience preferably in investment of pension funds (Government Code §825.003). The board selection process shall be as follows:

- (a) Each member shall be entitled to nominate one person who meets the criteria described in this section.
- (b) The Committee on School Finance/Permanent School Fund shall adopt an evaluation process using the criteria described in this rule, subject to approval of the board, and engage an impartial third party to evaluate candidates submitted by members.
- (c) The Committee shall recommend to the full board a slate of candidates for adoption. The list of nominees is subject to amendment by the board, but the final list must comply with statutory requirements.

7.5 School Land Board: The Governor shall appoint two members of the School Land Board, subject to confirmation by the senate, from lists of candidates submitted by the State Board of Education. One of the members appointed by the governor must be a resident of a county with a population of less than 200,000.

- (a) The School Land Board duties as described in the Texas Natural Resources Code (§§32.061, 51.011, 51.413) are:
 - (1) manage and control any land, mineral or royalty interest, real estate investment, or other interest, including revenue received from those sources, that is set apart to the permanent school fund together with the mineral estate in riverbeds, channels, and the tidelands, including islands;

- (2) acquire, sell, lease, trade, improve, maintain, protect, or otherwise manage, control, or use land, mineral and royalty interests, real estate investments, or other interests, including revenue received from those sources, that are set apart to the permanent school fund in any manner, at such prices, and under such terms and conditions as the board finds to be in the best interest of the fund;
 - (3) consult with the president, chairman, or other head of the department, board, or agency, as applicable, or with the representative of the head, on each matter before the board that affects land owned or held in trust for the use and benefit of a department, board, or agency of the state; and,
 - (4) make determinations as to the release of any funds to the available school fund or to the State Board of Education for investment in the permanent school fund.
- (a) Each member shall be entitled to nominate one person who meets the criteria described in this section.
 - (b) The Committee on School Finance/Permanent School Fund shall adopt an evaluation process using the criteria described in this rule, subject to approval of the board, and engage an impartial third party to evaluate candidates submitted by members.
 - (c) The Committee shall recommend to the full board a slate of candidates for adoption. The list of nominees is subject to amendment by the board, but the final list must comply with statutory requirements.

7.6 The board may adopt additional rules and procedures related to these selection processes.”

MOTION AND VOTE: *It was moved by Mr. Maynard, seconded by Ms. Hardy, and carried to amend §1.2 to add “8. Review of nominations for gubernatorial appointments: Teacher Retirement System, School Land Board” to the areas of oversight for the Committee on School Finance/Permanent School Fund.*

3. Election of State Board of Education Officers (Board agenda page SBOE-6)

Pursuant to the provisions of the Texas Education Code (TEC), §7.107, at the first regular meeting after the election and qualification of new SBOE members, the board shall elect by separate votes a vice chair and a secretary. The vice chair and secretary of the board will be elected to serve for terms of two years and until their successors are elected.

NOMINATIONS: Dr. Robinson nominated Mrs. Little for vice chair of the State Board of Education for a two-year term.

Mr. Allen nominated Ms. Pérez for vice chair of the State Board of Education for a two-year term.

Mrs. Little was elected vice chair of the State Board of Education.

NOMINATION: Mr. Maynard nominated Ms. Pérez for secretary of the State Board of Education for a two-year term.

Ms. Pérez was elected secretary of the State Board of Education.

4. Announcement of Membership of Committees
(Board agenda page SBOE-7)

Pursuant to the provisions of the Texas Education Code (TEC), §7.107, at the board's first regular meeting after the election and qualification of new members, the board shall organize.

Dr. Ellis announced the membership of the committees of the board, as follows:

Committee on Instruction

Rebecca Bell-Metereau
Pam Little
Sue Melton-Malone
Georgina C. Pérez
Audrey Young

Committee on School Finance/Permanent School Fund

Lawrence Allen, Jr.
Keven Ellis
Pat Hardy
Tom Maynard
Marisa Perez-Diaz

Committee on School Initiatives

Ruben Cortez, Jr.
Aicha Davis
Will Hickman
Jay Johnson
Matt Robinson

Dr. Ellis adjourned the meeting at 1:16 p.m.

Minutes

State Board of Education

January 29, 2021

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

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

PAM LITTLE, Fairview
Vice Chair of the State Board of
Education
District 12

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

Board Members

LAWRENCE ALLEN, JR., Houston
District 4

WILL HICKMAN, Houston
District 6

REBECCA BELL-METEREAU, San Marcos
District 5

TOM MAYNARD, Florence
District 10

RUBEN CORTEZ, JR., Brownsville
District 2

SUE MELTON-MALONE, Robinson
District 14

AICHA DAVIS, Dallas
District 13

MARISA PEREZ-DIAZ, Converse
District 3

JAY JOHNSON, Pampa
District 15

MATT ROBINSON, Friendswood
District 7

PATRICIA HARDY, Fort Worth
District 11

AUDREY YOUNG, Apple Springs
District 8

Committees of the State Board of Education

(updated Jan. 26, 2021)

INSTRUCTION

Sue Melton-Malone, chair

Audrey Young, vice-chair

Rebecca Bell-Metereau

Pam Little

Georgina Pérez

SCHOOL FINANCE/PERMANENT SCHOOL FUND

Tom Maynard, chair

Lawrence Allen, Jr., vice-chair

Keven Ellis

Pat Hardy

Marisa Perez-Diaz

SCHOOL INITIATIVES

Matt Robinson, chair

Aicha Davis, vice-chair

Ruben Cortez, Jr.

Will Hickman

Jay Johnson

Minutes
State Board of Education
January 29, 2021

The State Board of Education met at 9:07 a.m. on Friday, January 29, 2021, 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. (virtual); Rebecca Bell-Metereau; Ruben Cortez, Jr.; Aicha Davis; Pat Hardy; Will Hickman; Jay Johnson; Pam Little, vice-chair; Tom Maynard; Sue Melton-Malone; Georgina C. Pérez, secretary; Marisa B. Perez-Diaz (virtual); Matt Robinson; Audrey Young

Student Performance

Student performances were provided virtually by Martin High School in the Laredo Independent School District (ISD) and Mountain View High School in the Clint ISD.

Invocation

Pledge of Allegiance

Roll Call

Approval of Minutes

State Board of Education, November 20, 2020

MOTION AND VOTE: *The State Board of Education unanimously approved the Minutes of the November 20, 2020, meeting of the State Board of Education, as printed.*

1. Resolutions

Presidential Awards 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 2020 Presidential Awards for Excellence in Mathematics and Science Teaching program.

(ATTACHMENT 1, page 9)

Presidential Awards for Excellence in Mathematics and Science Teaching

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

(ATTACHMENT 2, page 11)

Resolution Career and Technical Education Month

The State Board of Education, by unanimous consent, adopted a resolution proclaiming February 1-28, 2021 as Career and Technical Education Month in Texas.

(ATTACHMENT 3, page 13)

Resolution Employers for Education Excellence Award

The State Board of Education, by unanimous consent, adopted a resolution honoring Sewell Family of Companies of Odessa as the recipient of the gold Employers for Education Excellence award.

(ATTACHMENT 4, page 25)

Public Testimony

Public Testimony was provided by the following individuals:

NAME: Chavey Prince
AFFILIATION: Self

NAME: Haley McFarland
AFFILIATION: Self

NAME: Brianna Moreno
AFFILIATION: Self

NAME: Kayren Gray
AFFILIATION: Self

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) Approval of Update to Instructional Materials for Learning A–Z

(Board agenda II-10)

The State Board of Education approved the request from Learning A–Z to update content in its adopted product *Raz Plus ELL Texas Edition*, grade 5.

(2) Approval of Substitute Instructional Materials for QuaverEd

(Board agenda II-14)

The State Board of Education approved the request from QuaverEd to substitute updated versions of *Quaver Pre-K Curriculum* products adopted November 2020 under *Proclamation 2021*.

(3) Ratification of the Purchases and Sales of the Investment Portfolio of the Permanent School Fund for the Months of October and November 2020

(Board agenda III-63)

The State Board of Education ratified the purchases and sales for the months of October and November 2020, in the amount of \$1,185,799,475 and \$1,135,739,201, respectively (ATTACHMENT 5, page 17).

(4) Report on the Permanent School Fund Liquid Account

(Board agenda III-64)

The State Board of Education ratify the purchases and sales of the Permanent School Fund Liquid Account for the period October 1, 2020, through November 30, 2020, in the amounts of \$368,409,028 and \$335,445,845, respectively (ATTACHMENT 6, page 19).

(5) Approval of an Extension of the Standard Contract with BNY Mellon and Authorization for Contract Execution by the Commissioner of Education

(Board agenda III-67)

The State Board of Education approved renewal of the standard contract with The Bank of New York Mellon beginning September 1, 2021, and ending August 31, 2024, and authorize contract execution by the commissioner of education.

(6) 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 III-68)

This item was removed from the consent agenda.

(7) Review of Real Return Asset Class for the Permanent School Fund

(Board agenda III-77)

The State Board of Education terminated Credit Suisse and PIMCO and allocated remaining funds to the PSF internally managed commodities portfolio to align the allocation with the asset allocation approved by the SBOE in July 2020.

(8) Adoption of Review of 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions

(Adoption of Review)

(Board agenda page IV-3)

The State Board of Education adopted the review of 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions.

(9) Proposed New 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District

(First Reading and Filing Authorization)

(Board agenda page IV-13)

The State Board of Education approved for first reading and filing authorization proposed new 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District.

COMMITTEE OF THE FULL BOARD

**3. Proposed New 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation
(Second Reading and Final Adoption)**

(Board agenda page I-7)

MOTION AND VOTE: *It was moved by Mrs. Little 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 B, Graduation Requirements, §74.11, High School Graduation Requirements, as amended and recommended by the Committee of the Full Board; and Make an affirmative finding that immediate adoption of the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation Requirements, as amended is necessary and shall have an effective date of August 1, 2021.*
(ATTACHMENT 7, page 21)

4. Consideration of Petition for Adoption of Rule in 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies

(Board agenda page I-14)

MOTION AND VOTE: *It was moved by Mrs. Little and carried unanimously that the State Board of Education deny the petition to adopt United States History Studies Before 1877 and offer the course to all high school students, as recommended by the Committee of the Full Board, because all Grade 8 students are required to receive instruction in United States History through 1877.*

5. Update on Texas Essential Knowledge and Skills

(Board agenda page I-23)

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

COMMITTEE ON INSTRUCTION

6. **Proposed New 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript) (First Reading and Filing Authorization)**
(Board agenda page II-2)

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 amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript), as recommended by the Committee on Instruction.

(Mr. Cortez was absent for the vote.)

7. **Proposed Approval of Innovative Courses**
(Board agenda page II-7)

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 course that does not fall within any of the subject areas of the foundation or enrichment curriculum: Community Transportation, as recommended by the Committee on Instruction.*

(Mr. Cortez was absent for the vote.)

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND

8. **Proposed Amendment to 19 TAC Chapter 109, Budgeting, Accounting and Auditing, Subchapter C, Adoptions by Reference, §109.41, Financial Accountability System Resource Guide (First Reading and Filing Authorization)**
(Board agenda page III-2)

MOTION AND VOTE: *It was moved by Mr. Maynard and carried unanimously that the State Board of Education approve for first reading and filing authorization the proposed amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide, as recommended by the Committee on School Finance/Permanent School Fund.*

(Mr. Cortez was absent for the vote.)

9. **Adoption of Review of 19 TAC Chapter 30, Administration, Subchapter B, State Board of Education: Purchasing and Contracts**
(Adoption of Review)
(Board agenda page III-58)

MOTION AND VOTE: *It was moved by Mr. Maynard and carried unanimously the State Board of Education adopt the review of 19 TAC Chapter 30, Administration, Subchapter B, State Board of Education: Purchasing and Contracts, as recommended by the Committee on School Finance/Permanent School Fund.*

(Mr. Cortez was absent for the vote.)

10. **Proposed Amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes**
(First Reading and Filing Authorization)
(Board agenda page IV-8)

MOTION AND VOTE: *It was moved by Dr. Robinson 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 amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes., as recommended by the Committee on School Initiatives.

11. **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 III-68)

MOTION AND VOTE: *It was moved by Mr. Maynard and carried 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, as amended and recommended by the Committee on School Finance/Permanent School Fund; 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.

(ATTACHMENT 8, page 25)

REGARDING AGENDA ITEMS POSTED FOR DISCUSSION ON COMMITTEE AGENDAS

Committee on Instruction

Mrs. Melton-Malone did not report on the Committee on Instruction.

Committee on School Finance/Permanent School Fund

Mr. Maynard reported that the Permanent School Fund lost between \$2 and \$3 billion in value because of the pandemic. The board did a significant amount of rebalancing in the portfolio and with the asset reallocations, the SBOE's portion of the Fund is now approximately \$38.4 billion. The total value of the fund is approaching \$50 billion at this time.

He also noted that the PSF is managed jointly with the School Land Board. In the last session, the Texas Legislature created the liquid account within the PSF for the SBOE to invest the School Land Board's unused cash so that the total fund would earn a greater return. In September 2019, the School Land Board transferred just short of \$4 billion to the liquid account for the SBOE to manage. Those funds have been deployed over time and the SBOE has realized about \$120 million in gains from September 2019 through December 2020.

Committee on School Initiatives

Dr. Robinson 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 gave board members an opportunity to provide information regarding agenda items or other relevant information about public education.

The meeting adjourned at 10:37 a.m.

Georgina C. Pérez, Secretary

R E S O L U T I O N

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 Kristen Butler, Medlin Middle School, Northwest Independent School District, Ft. Worth, Texas; Desirae Harcrow, Timber Creek Elementary School, Tomball Independent School District, Tomball, Texas; Cassidy Wagner, Rogers Middle School, Prosper Independent School District, Prosper, Texas; for being named State Finalists in the elementary mathematics category for the 2020 Presidential Award; and be it further

RESOLVED, That the State Board of Education does hereby extend its congratulations to Kelli Abueita, Creekview Elementary School, Tomball Independent School District, Tomball, Texas; Hannah Cotten, Hill Elementary School, Austin Independent School District, Austin, Texas; Lori Garrett, Cactus Elementary School, Dumas Independent School District, Dumas, Texas; for being named State Finalists in the elementary science category for the 2020 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 2020 *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 twenty-ninth day of January, two thousand and twenty-one, in Austin, Texas.

Dr. Keven Ellis, Chair

Georgina C. Pérez, Secretary

This page has been intentionally left blank.

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 Bridget Matamoros-Mota, John H. Guyer High School, Denton Independent School District, Denton, TX for being named Texas National Awardee 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 for being named Texas National Awardee 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 awardees 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 twenty-ninth day of January, two thousand and twenty-one, in Austin, Texas.

Dr. Keven Ellis, Chair

Georgina C. Pérez, Secretary

This page has been intentionally left blank.

R E S O L U T I O N

WHEREAS February 1-28, 2021, has been designated National Career and Technical Education Month; and

WHEREAS about 1.4 million 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 CTE offers students the opportunity to gain the academic, technical and employability skills necessary for career readiness; and

WHEREAS students in CTE programs participate in authentic, meaningful experiences and apply academic knowledge and skills from across the curriculum which improve the quality of their overall education; and

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

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

WHEREAS CTE programs prepare students for a variety of 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 crucial to the Texas economy; 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 1-28, 2021 as Career and Technical Education Month in Texas, and does hereby urge all Texans to become familiar with the outstanding programs delivered by exceptional CTE teachers in communities across the state, and to support these programs to enhance college and career readiness for all Texas students.

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

Keven Ellis, Chair

Georgina C. Pérez, Secretary

This page has been intentionally left blank.

R E S O L U T I O N

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

WHEREAS advocating for education through volunteerism, material, and financial support can have a lifelong impact on students' lives; and

WHEREAS the Texas Legislature recognized this important school-parent-business partnership when it created the Employers for Education Excellence award in 2007; and

WHEREAS Sewell Family of Companies of Odessa met and exceeded the requirements to be recognized at the highest level for this award in partnering with Ector County Independent School District; and

WHEREAS Sewell Ford donated a truck during the 2018-2019 school year to the Agriculture Career and Technical Education (CTE) program providing much-needed transportation for students and to haul livestock to stock shows and FFA competitions; and

WHEREAS in 2019-2020, Sewell Ford donated a car and two engines creating opportunities for real world learning and hands-on instruction for over 160 students enrolled in the Automotive Technology CTE program; and

WHEREAS Sewell Family of Companies has approximately 90 percent of its employees participating in various forms of volunteer activities such as mentoring and coaching; and

WHEREAS through its employees' efforts and financial support to the Education Foundation of Odessa and the Education Partnership, new water fountains were installed at Permian High School, and new scoreboards installed at the Permian baseball field; and now, therefore, be it

RESOLVED, that the State Board of Education urges Texas businesses to look upon Sewell Family of Companies as a role model for civic engagement; and be it further

RESOLVED, that the State Board of Education today, awards Sewell Family of Companies of Odessa the gold Employers for Education Excellence award for its generous and continuing support of West Texas students and teachers.

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

Keven Ellis, chair

Georgina C. Pérez, Secretary

This page has been intentionally left blank.

**TEXAS PERMANENT SCHOOL FUND
SUMMARY OF TRANSACTIONS FOR APPROVAL
(Including External Manager's Trades)
For October 1, 2020 through November 30, 2020**

<u>Purchases/Capital Calls:</u>	
Long Term Fixed Income	\$ 649,754,061
Public Market Equities	160,523,482
Alternative Investments	<u>375,521,932</u>
TOTAL	<u>\$ 1,185,799,475</u>
 <u>Sales/Distributions:</u>	
Long Term Fixed Income	\$ 363,026,347
Public Market Equities	567,256,560
Alternative Investments	<u>205,456,294</u>
TOTAL	<u>\$ 1,135,739,201</u>

General Land Office Contributions:

FY 2020 Cumulative November 2019	FY 2021 Cumulative November 2020
\$2,500,000	\$11,250,000

Based on the above information provided by staff including a report that deposits to the Permanent School Fund from the General Land Office were \$2,500,000 through November 2019 for fiscal year 2020 versus \$11,250,000 through November 2020 for fiscal year 2021, 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 2020 and November 2020 Permanent School Fund portfolio purchases of \$1,185,605,385 and sales of \$1,135,739,201.

This page has been intentionally left blank.

**TEXAS PERMANENT SCHOOL FUND
SUMMARY OF TRANSACTIONS FOR APPROVAL
FOR PSF LIQUID ACCOUNTS
For October 1, 2020 through November 30, 2020**

Purchases:

Fixed Income	\$ 363,801,536
Public Market Equities	<u>4,607,492</u>
 TOTAL	 <u><u>\$ 368,409,028</u></u>

Sales:

Fixed Income	\$ 334,400,195
Public Market Equities	<u>1,045,650</u>
 TOTAL	 <u><u>\$ 335,445,845</u></u>

Based on the above information provided by staff 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 period October 1, 2020 through November 30, 2020 Permanent School Fund Liquid Account purchases of \$368,409,028 and sales of \$335,445,845.

This page has been intentionally left blank.

Chapter 74. Curriculum Requirements

Subchapter B. Graduation Requirements

§74.11. High School Graduation Requirements.

- (a) To receive a high school diploma, a student entering Grade 9 in the 2014-2015 school year and thereafter must complete the following:
- (1) in accordance with subsection (d) [~~(e)~~] of this section, requirements of the Foundation High School Program specified in §74.12 of this title (relating to Foundation High School Program);
 - (2) testing requirements for graduation as specified in Chapter 101 of this title (relating to Assessment); and
 - (3) demonstrated proficiency, in Grade 8 or higher, as determined by the district in which the student is enrolled, in delivering clear verbal messages; choosing effective nonverbal behaviors; listening for desired results; applying valid critical-thinking and problem-solving processes; and identifying, analyzing, developing, and evaluating communication skills needed for professional and social success in interpersonal situations, group interactions, and personal and professional presentations.
- (b) Beginning with students enrolled in Grade 12 during the 2021-2022 school year [~~Before graduating from high school~~], each student in Grade 12 must complete and submit a free application for federal student aid (FAFSA) or a Texas application for state financial aid (TASFA) before graduating from high school. A student may graduate under the Foundation High School Program without completing a financial aid application if:
- (1) the student's parent or other person standing in parental relation submits a signed form, approved by the Texas Education Agency (TEA), indicating that the parent or other person authorizes the student to decline to complete and submit the financial aid application;
 - (2) the student signs and submits the form described by paragraph (1) of this subsection on the student's own behalf if the student is 18 years of age or older or has been emancipated under Texas Family Code, Chapter 31; or
 - (3) a school counselor authorizes the student to decline to complete and submit the financial aid application for good cause, as determined by the school counselor. If a school counselor notifies a school district that a student has declined to complete and submit a financial aid application for good cause, the school counselor may not indicate details regarding what constitutes good cause.
- (c) [~~(b)~~] A school district shall clearly indicate the distinguished level of achievement under the Foundation High School Program, an endorsement, and a performance acknowledgment on the transcript or academic achievement record (AAR) of a student who satisfies the applicable requirements.
- (d) [~~(e)~~] A student entering Grade 9 in the 2014-2015 school year and thereafter shall enroll in the courses necessary to complete the curriculum requirements for the Foundation High School Program specified in §74.12 of this title and the curriculum requirements for at least one endorsement specified in §74.13 of this title (relating to Endorsements).
- (e) [~~(d)~~] A student may graduate under the Foundation High School Program without earning an endorsement if, after the student's sophomore year:
- (1) the student and the student's parent or person standing in parental relation to the student are advised by a school counselor of the specific benefits of graduating from high school with one or more endorsements; and
 - (2) the student's parent or person standing in parental relation to the student files with a school counselor written permission, on a form adopted by the TEA [~~Texas Education Agency (TEA)~~],

allowing the student to graduate under the Foundation High School Program without earning an endorsement.

- (f) ~~(e)~~ A student may earn a distinguished level of achievement by successfully completing the curriculum requirements for the Foundation High School Program and the curriculum requirements for at least one endorsement required by the Texas Education Code (TEC), §28.025(b-15), including four credits in science and four credits in mathematics to include Algebra II.
- (g) ~~(f)~~ An out-of-state or out-of-country transfer student (including foreign exchange students) or a transfer student from a Texas nonpublic school is eligible to receive a Texas diploma but must complete all requirements of this section to satisfy state graduation requirements. Any course credit required in this section that is not completed by the student before he or she enrolls in a Texas school district may be satisfied through the provisions of §74.23 of this title (relating to Correspondence Courses and Distance Learning) and §74.24 of this title (relating to Credit by Examination) or by completing the course or courses according to the provisions of §74.26 of this title (relating to Award of Credit).
- (h) ~~(g)~~ Elective credits may be selected from the following:
- (1) high school courses not required for graduation that are listed in the following chapters of this title:
 - (A) Chapter 110 of this title (relating to Texas Essential Knowledge and Skills for English Language Arts and Reading);
 - (B) Chapter 111 of this title (relating to Texas Essential Knowledge and Skills for Mathematics);
 - (C) Chapter 112 of this title (relating to Texas Essential Knowledge and Skills for Science);
 - (D) Chapter 113 of this title (relating to Texas Essential Knowledge and Skills for Social Studies);
 - (E) Chapter 114 of this title (relating to Texas Essential Knowledge and Skills for Languages Other Than English);
 - (F) Chapter 115 of this title (relating to Texas Essential Knowledge and Skills for Health Education);
 - (G) Chapter 116 of this title (relating to Texas Essential Knowledge and Skills for Physical Education);
 - (H) Chapter 117 of this title (relating to Texas Essential Knowledge and Skills for Fine Arts);
 - (I) Chapter 127 of this title (relating to Texas Essential Knowledge and Skills for Career Development); and
 - (J) Chapter 130 of this title (relating to Texas Essential Knowledge and Skills for Career and Technical Education);
 - (2) state-approved innovative courses as specified in §74.27 of this title (relating to Innovative Courses and Programs);
 - (3) Junior Reserve Officer Training Corps (JROTC)--one to four credits; ~~and~~
 - (4) Driver Education--one-half credit ; ~~and~~ ~~;~~
 - (5) College preparatory English language arts or mathematics courses developed and offered pursuant to the TEC, §28.014.
- (i) ~~(h)~~ Courses offered for dual credit at or in conjunction with an institution of higher education that provide advanced academic instruction beyond, or in greater depth than, the essential knowledge and skills for the equivalent high school course required for graduation may satisfy graduation requirements, including requirements for required courses, advanced courses, and courses for elective credit as well as requirements for endorsements.

- (j) ~~(g)~~ A student may not be enrolled in a course that has a required prerequisite unless:
- (1) the student has successfully completed the prerequisite course(s);
 - (2) the student has demonstrated equivalent knowledge as determined by the school district; or
 - (3) the student was already enrolled in the course in an out-of-state, an out-of-country, or a Texas nonpublic school and transferred to a Texas public school prior to successfully completing the course.
- (k) ~~(h)~~ A district may award credit for a course a student completed without meeting the prerequisites if the student completed the course in an out-of-state, an out-of-country, or a Texas nonpublic school where there was not a prerequisite.
- (l) ~~(i)~~ A district shall allow a student who successfully completes AP Computer Science A or IB Computer Science Higher Level to satisfy both one advanced mathematics requirement and one languages other than English requirement for graduation.
- (m) ~~(j)~~ Each school district shall annually report to the TEA the names of the locally developed courses, programs, institutions of higher education, and internships in which the district's students have enrolled as authorized by the TEC, §28.002(g-1). The TEA shall make available information provided under this subsection to other districts. If a district chooses, it may submit any locally developed course for approval under §74.27 of this title as an innovative course.
- (n) ~~(k)~~ Each school district shall annually report to the TEA the names of cybersecurity courses approved by the board of trustees for credit and the institutions of higher education in which the district's students have enrolled as authorized by the TEC, §28.002(g-3). The TEA shall make available information provided under this subsection to other districts. If a district chooses, it may submit any locally developed course for approval under §74.27 of this title as an innovative course.
- (o) ~~(l)~~ A school district shall permit a student to comply with the curriculum requirements under the Foundation High School Program by successfully completing appropriate courses in the core curriculum of an institution of higher education (IHE). A student who has completed the core curriculum of an IHE in accordance with TEC, §61.822, as certified by the IHE in accordance with §4.28 of this title (relating to Core Curriculum):
- (1) is considered to have earned an endorsement by successfully completing the appropriate courses for that endorsement;
 - (2) is considered to have earned a distinguished level of achievement under the Foundation High School Program; and
 - (3) is entitled to receive a high school diploma.

This page has been intentionally left blank.

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

§33.5. Code of Ethics.

- (a)-(c) (No change.)
- (d) Definitions. For purposes of this chapter, the following terms shall have the following meanings.
- (1)-(3) (No change.)
- (4) PSF Service Providers are the following Persons:
- (A) any Person who is an external investment manager, as described in §33.20(c)(1) [~~§33.20(b)(1)~~] of this title (relating to Responsible Parties and Their Duties), or who is responsible by contract for providing legal advice regarding the PSF, executing PSF brokerage transactions, or acting as a custodian of the PSF;
- (B) (No change.)
- (C) any Person who is Investment Counsel as described in §33.20(c)(4) [~~§33.20(b)(4)~~] of this title or provides consultant services for compensation regarding the management and investment of the PSF;
- (D)-(G) (No change.)
- (5)-(6) (No change.)
- (e)-(v) (No change.)

§33.15. Objectives.

- (a) (No change.)
- (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, considering [~~in light of~~] the strategic asset allocation plan adopted. To achieve this goal, PSF investment shall always be carefully administered [~~at all times~~] .
- (2) (No change.)
- (c) (No change.)
- (d) Asset allocation policy.
- (1) The SBOE shall adopt and implement a strategic asset allocation plan based on a well-diversified [~~well diversified~~] , balanced investment approach that uses a broad range of asset classes indicated by the following characteristics of the PSF:
- (A)-(G) (No change.)
- (2) (No change.)
- (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)-(I) (No change.)

(J) high yield;

~~[(J) — risk parity;]~~

(K)-(L) (No change.)

(4)-(5) (No change.)

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

(a) (No change.)

(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)-(5) (No change.)

(6) purchasing the equity or debt securities of the PSF investment manager's own organization or an affiliated organization, but excluding purchases with respect to indexed or passively managed portfolios ;

(7) 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, but excluding purchasing transactions with respect to indexed or passively managed portfolios ;

(8) 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, but excluding purchasing transactions with respect to indexed or passively managed portfolios ;

(9)-(11) (No change.)

(12) purchasing any publicly traded fixed income security not rated investment grade [rated below BB- ~~[not rated investment grade]~~] by Standard & Poor's (BBB-) [~~(BBB-)~~] , [Ba3-by] Moody's (Baa3) [~~(Baa3)~~] , or [BB-by] Fitch (BBB-) [~~(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) — purchasing any publicly traded fixed income securities that are rated below investment grade by Standard & Poor's (below BBB-), Moody's (below Baa3), or Fitch (below BBB-), with such rating as determined in accordance with paragraph (12)(A)-(C) of this subsection, if the cumulative market value of such below investment grade rated securities after such purchase exceeds 5% of the total portfolio market par value of the PSF fixed income portfolio;]~~

~~(13)~~ ~~[(14)]~~ ~~[(13)]~~ purchasing short-term money market instruments rated below A-1 by Standard & Poor's or P-1 by Moody's;

~~(14)~~ ~~[(15)]~~ ~~[(14)]~~ engaging in any transaction that results in unrelated business taxable income (excluding current holdings);

~~(15)~~ ~~[(16)]~~ ~~[(15)]~~ engaging in any transaction considered a "prohibited transaction" under the Internal Revenue Code or the Employee Retirement Income Security Act (ERISA);

- ~~(16)~~ ~~(17)~~ ~~(16)~~ purchasing precious metals or other commodities;
- ~~(17)~~ ~~(18)~~ ~~(17)~~ engaging in any transaction that would leverage a manager's position;
- ~~(18)~~ ~~(19)~~ ~~(18)~~ 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)~~ ~~(19)~~ purchasing fixed income securities without a stated par value amount due at maturity.

(c)-(d) (No change.)

§33.35. Guidelines for the Custodian and the Securities Lending Agent for the Texas Permanent School Fund (PSF) and the PSF Liquid Account .

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) (No change.)
 - (B) Provide for daily investment of any cash ~~[on a daily basis]~~ to avoid uninvested amounts.
 - (C)-(I) (No change.)
- (2) (No change.)

§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)-(2) (No change.)
- (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 Education ~~[Natural Resources]~~ Code, §43.0052.
- (4)-(6) (No change.)

This page has been intentionally left blank.

Minutes

State Board of Education Committees

January 26-28, 2021

**Report of the State Board of Education
Committee of the Full Board
Tuesday, January 26, 2021**

The State Board of Education Committee of the Full Board met at 2:28 p.m. on Tuesday, January 26, 2021, 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.; Rebecca Bell-Metereau; Ruben Cortez, Jr.; Aicha Davis; Patricia Hardy; Will Hickman; Jay Johnson; Pam Little; Tom Maynard; Sue Melton-Malone; Georgina C. Pérez; Marisa B. Perez-Diaz (virtual); Matt Robinson; Audrey Young

Public Testimony

The Committee of the Full Board heard public testimony on agenda item #2. Information regarding the individuals who presented public testimony is included in the discussion of that item.

DISCUSSION ITEMS

1. Work Session on Texas Essential Knowledge and Skills (TEKS) Review and Instructional Materials Adoption Cycle
(Board agenda page I-1)

Texas Education Agency (TEA) staff provided an overview regarding required action following adoption of revisions to the Texas Essential Knowledge and Skills (TEKS) including updates to State Board for Educator Certification teacher assignment rules and certification exams, adoption of instructional materials, and the completion of the Texas Resource Review. Jarrad Toussant, director, college, career, and military preparation division, provided an overview of career and technical education (CTE) programs of study and a skills gap analysis that is being completed to inform review and revision of the CTE TEKS. Monica Martinez, associate commissioner for standards and support services, shared recommendations from staff for adjustments to the *TEKS and Instructional Materials Review and Adoption Schedule* and provided an update on short-term plans for development of new CTE courses and revisions to existing courses.

2. Public Hearing on Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §§112.47-112.51
(Board agenda page I-4)

Public testimony was provided by the following individuals:

NAME: Dr. Gail Dickinson
AFFILIATION: Science TEKS Work Group Member

NAME: Christopher Tijerina
AFFILIATION: Science TEKS Work Group Member

NAME: Tia Scott
AFFILIATION: Science TEKS Work Group Member

NAME: Leila Cornelius
AFFILIATION: Self

NAME: Ann Mulvihill
AFFILIATION: Texas Science Educator Leadership Association

NAME: Sandra West
AFFILIATION: Self

NAME: Robert Martinez
AFFILIATION: Texas Energy Council

NAME: Jennifer Meyer
AFFILIATION: Science Teachers Association of Texas

NAME: Allyson Howard
AFFILIATION: Self

NAME: Robert (Bob) Unger
AFFILIATION: Texas Energy Council

Dr. Ellis adjourned the meeting at 7:34 p.m.

**Report of the State Board of Education
Committee of the Full Board
January 27, 2021**

The State Board of Education Committee of the Full Board met at 9:04 a.m. on Wednesday, January 27, 2021, 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.; Rebecca Bell-Metereau; Ruben Cortez, Jr.; Aicha Davis; Patricia Hardy; Will Hickman; Jay Johnson; Pam Little; Tom Maynard; Sue Melton-Malone; Georgina C. Pérez; Marisa B. Perez-Diaz (virtual); Matt Robinson; Audrey Young

Public Testimony

The Committee of the Full Board heard public testimony on agenda items #5 and #6. Information regarding the individuals who presented public testimony is included in the discussion of that item.

DISCUSSION ITEM

1. Commissioner's Comments

(Board agenda page I-6)

Commissioner Mike Morath shared that, with the start of the 87th Texas Legislative Session, he has been speaking with members of the legislature about three primary policy issues: any adjustments to House Bill (HB) 3 that might be necessary and how to sustain funding made available by HB 3; the state accountability system; and the long-term picture for remote instruction. He also provided an overview of the information presented in the *TEA Annual Report 2020*. Commissioner Morath added that last week TEA issued a research analysis on the initial view of academic declines resulting from COVID-19. Finally, he shared an update on Operation Connectivity and closing the digital divide. Even though the internet access gap still exists, recent accounting indicates that at least 4.5 million devices have been provided to students to close the device gap.

ACTION ITEMS

2. Proposed Amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation Requirements (Second Reading and Final Adoption)

(Board agenda page I-7)

[Official agenda item #3]

Shelly Ramos, senior director, curriculum standards and student support division, explained that the proposed amendment would update the graduation requirements rule to align with the requirement in House Bill (HB) 3, 86th Texas Legislature, 2019, that students complete a financial aid application as

a requirement for high school graduation. Students will have the option to complete the Free Application for Federal Student Aid (FAFSA), Texas Application for State Financial Aid (TASFA), or opt out of the requirement. The proposed amendment would also specify when a student may demonstrate proficiency in certain communication skills required for graduation.

MOTION: *It was moved by Mr. Maynard and seconded by Dr. Robinson to recommend that the State Board of Education approve for second reading and final adoption the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation Requirements; and*

Make an affirmative finding that immediate adoption of the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation Requirements, is necessary and shall have an effective date of August 1, 2021.

MOTION AND VOTE: *It was moved by Mr. Maynard, seconded by Mr. Cortez, and carried to recommend that the State Board of Education add new §74.11(h)(5) to read:*

“(5) College preparatory English language arts or mathematics courses developed and offered pursuant to the TEC, §28.014.”

VOTE: *A vote was taken on the motion to recommend that the State Board of Education approve for second reading and final adoption the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation Requirements, as amended; and*

Make an affirmative finding that immediate adoption of the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter B, Graduation Requirements, §74.11, High School Graduation Requirements, is necessary and shall have an effective date of August 1, 2021. The motion carried unanimously.

3. Consideration of Petition for Adoption of Rule in 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies

(Board agenda page I-14)

[Official agenda item #4]

Monica Martinez, associate commissioner for standards and support services, explained that a petition for a rule change had been received requesting that the board adopt United States History Studies Before 1877 and offer the course to all high school students.

MOTION AND VOTE: *It was moved by Mr. Maynard, seconded by Ms. Hardy, and carried unanimously to deny the petition to adopt United States History Studies Before 1877 and offer the course to all high school students because all Grade 8 students are required to receive instruction in United States History through 1877.*

DISCUSSION ITEMS

4. Discussion of Proposed New 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter C, High School, §§112.47-112.51

(Board agenda page I-17)

Ms. Ramos provided an update on the work of the science Texas Essential Knowledge and Skills (TEKS) review work groups. She highlighted the draft recommendations from Work Group D for the Aquatic Science, Astronomy, Environmental Systems, and Specialized Topics in Science courses and the preliminary recommendations from the work group on the Earth and Space Science course (Earth Systems Science). The committee provided recommendations for TEA staff to deliver to the work groups when they reconvene prior to the next SBOE meeting.

5. Discussion of *Proclamation 2023* of the State Board of Education Advertising for Bids on Instructional Materials

(Board agenda page I-19)

Public testimony was provided by the following individual:

NAME: Leila Cornelius
AFFILIATION: Self

Melissa Lautenschlager, director of instructional materials and implementation, explained that this item gives the committee an opportunity to provide direction regarding *Proclamation 2023*, specifically, if it should be brought back for issuance in April and if so, which courses it should include.

Ms. Martinez shared an update on the progress of TEKS review work groups and explained the impact of TEKS review on timelines for instructional materials adoption.

The committee recommended that staff not present issuance of *Proclamation 2023* at the April 2021 meeting and that instructional materials for science, grades K–12, and certain CTE courses be included in *Proclamation 2024*. Dr. Ellis requested that stakeholders reach out to board members if there are concerns about postponing *Proclamation 2023*.

ACTION ITEM

6. Update on Texas Essential Knowledge and Skills (TEKS) Review

(Board agenda page I-23)

[Official agenda item #5]

Public testimony was provided by the following individuals:

NAME: Sandra West
AFFILIATION: Self

Ms. Ramos provided an update on the review and revision process for the TEKS for science and career and technical education. The SBOE made suggestions to the work group for revisions to the

grades 6-8 science TEKS. The committee asked that staff direct the K-5 science TEKS review work group to add more emphasis on content and background knowledge to the K-5 standards while maintaining scientific investigation.

DISCUSSION ITEMS

7. Rule Review of 19 TAC Chapter 101, Assessment, Subchapter A, General Provisions, Subchapter B, Implementation of Assessments, and Subchapter C, Local Option (Board agenda page I-25)

Julie Cole, director of policy and publications, student assessment division, explained that the rule review involves a discussion regarding whether the reasons for the current SBOE rules related to student assessment continue to exist.

The committee discussed the differences in the roles of the commissioner and the SBOE related to implementation of a statewide assessment program.

Dr. Young asked whether there is a document that shows a crosswalk between commissioner's rules and SBOE rules related to student assessment. Ms. Martinez said that staff would provide a crosswalk in advance of the next meeting.

The board requested that an item be placed on the next agenda to further discuss SBOE rules related to student assessment.

8. Discussion of Pending Litigation (Board agenda page I-31)

The committee did not discuss pending litigation; therefore, no executive session was held.

Dr. Ellis adjourned the meeting at 1:10 p.m.

**Report of the State Board of Education
Committee on Instruction
January 28, 2021**

The State Board of Education Committee on Instruction Board met at 9:06 a.m. on Thursday, January 28, 2021, in the State Board of Education Room, #1-100, of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas. Attendance was noted as follows:

Present: Sue Melton-Malone, chair; Rebecca Bell-Metereau; Pam Little; Georgina C. Pérez; Audrey Young, vice-chair

Public Testimony

The Committee on Instruction received no presentations of public testimony.

ACTION ITEMS

1. Election of Chair

(Board agenda page II-1)

NOMINATION: Mrs. Little nominated Mrs. Melton-Malone for chair of the Committee on Instruction for a two-year term.

Mrs. Melton-Malone was elected chair of the Committee on Instruction.

Mrs. Melton-Malone appointed Dr. Young to serve as vice-chair.

2. Proposed Amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript) (First Reading and Filing Authorization)

(Board agenda page II-2)

[Official agenda item #6]

Jessica Snyder, special projects director, curriculum standards and student support division, explained that this item would update the rule to require documentation of the new graduation requirement that a student complete and submit a Free Application for Federal Student Aid (FAFSA) or a Texas Application for State Financial Aid (TASFA).

MOTION AND VOTE: *It was moved by Mrs. Little, seconded by Dr. Bell-Metereau, and carried unanimously to suspend the board operating procedures in accordance with §5.2(a) to allow consideration at first reading and filing authorization.*

MOTION AND VOTE: *It was moved by Dr. Young, seconded by Mrs. Little, and carried unanimously to recommend that the State Board of Education approve for first reading and filing authorization the proposed amendment to 19 TAC Chapter 74, Curriculum Requirements, Subchapter A, Required Curriculum, §74.5, Academic Achievement Record (Transcript).*

3. Proposed Approval of Innovative Courses

(Board agenda page II-7)

[Official agenda item #7]

Ms. Snyder explained that there was one innovative course recommended for renewal that does not fall within any of the subject areas of the foundation or enrichment curriculum: Community Transportation.

MOTION: *It was moved by Dr. Young and seconded by Mrs. Little to recommend that the State Board of Education approve the following innovative course that does not fall within any of the subject areas of the foundation or enrichment curriculum: Community Transportation.*

MOTION AND VOTE: *It was moved by Mrs. Little, seconded by Ms. Pérez, and carried unanimously to recommend that the length of time for renewal of the course be five years.*

VOTE: *A vote was taken on the motion to recommend that the State Board of Education approve for a period of five years the following innovative course that does not fall within any of the subject areas of the foundation or enrichment curriculum: Community Transportation. The motion carried unanimously.*

4. Approval of Update to Instructional Materials for Learning A–Z

(Board agenda page II-10)

[Consent agenda item #(1)]

Amie Williams, director of review and adoption, instructional materials and implementation division, explained that Learning A–Z was requesting approval to update content in its adopted product *Raz Plus ELL Texas Edition*, grade 5 and that curriculum subject area specialists have reviewed the requested changes.

MOTION AND VOTE: *It was moved by Dr. Young, seconded by Mrs. Little, and carried unanimously to recommend that the State Board of Education approve the request from Learning A–Z to update content in its adopted product Raz Plus ELL Texas Edition, grade 5.*

5. Approval of Substitution of Instructional Materials for QuaverEd

(Board agenda page II-14)

[Consent agenda item #(2)]

Ms. Williams explained that QuaverEd was requesting approval to substitute new editions of its adopted prekindergarten products. She further explained this substitution was necessary because of the loss of licenses for tradebooks and that content staff had reviewed the requested changes.

MOTION AND VOTE: *It was moved by Dr. Young, seconded by Dr. Bell-Metereau, and carried unanimously to recommend that the State Board of Education approve the request from QuaverEd to substitute updated versions of Quaver Pre-K Curriculum products adopted November 2020 under Proclamation 2021.*

DISCUSSION ITEM

6. Discussion of Proposed Repeal of 19 TAC Chapter 89, Adaptations for Special Populations, Subchapter D, Special Education Services and Settings, §89.61, Contracting for Residential Educational Placements for Students with Disabilities, and §89.63, Instructional Arrangements and Settings

(Board agenda page II-15)

Justin Porter, state director, special education, explained that House Bill 3, 86th Texas Legislature, 2019, redesignated and amended state statute transferring rulemaking authority related to residential placements and instructional arrangements from the SBOE to the commissioner of education. As a result, the repeal of §89.61 and §89.63 is necessary because statutory authority for the rules no longer exists.

The meeting of the Committee on Instruction adjourned at 9:49 a.m.

**Report of the State Board of Education
Committee on School Finance/Permanent School Fund
January 28, 2021**

The State Board of Education Committee on School Finance/Permanent School Fund met at 9:18 a.m. on Thursday, January 28, 2021, in the State Board of Education Room, Room #1-104 of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas. Attendance was noted as follows:

Present: Tom Maynard, chair; Lawrence A. Allen, Jr., vice chair; Keven Ellis; Patricia Hardy; Marisa B. Perez-Diaz (virtual)

Public Testimony

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

ACTION ITEMS

1. Election of Chair

(Board agenda page III-1)

NOMINATION: Ms. Hardy nominated Mr. Maynard for chair of the Committee on School Finance/Permanent School Fund for a two-year term.

Mr. Maynard was elected chair of the Committee on School Finance/Permanent School Fund.

Mr. Maynard appointed Mr. Allen to serve as vice-chair.

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

(First Reading and Filing Authorization)

(Board agenda page III-2)

[Official agenda item #8]

David Marx, senior director, financial compliance, explained that the proposed amendment would adopt by reference the updated *Financial Accountability System Resource Guide* (FASRG). He explained the purpose of the guide, the changes to the document, and the introduction of a change document to list changes to the document.

MOTION AND VOTE: *It was moved by Mr. Allen, seconded by Ms. Hardy, and carried unanimously to recommend that the State Board of Education approve for first reading and filing authorization the proposed amendment to 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter C, Adoptions By Reference, §109.41, Financial Accountability System Resource Guide.*

DISCUSSION ITEM

- 3. Review of 19 TAC Chapter 109, Budgeting, Accounting, and Auditing, Subchapter A, Budgeting, Accounting, Financial Reporting, and Auditing for School Districts, Subchapter B, Texas Education Agency Audit Functions, Subchapter C, Adoptions By Reference, and Subchapter D, Uniform Bank Bid or Request for Proposal and Depository Contract**
(Board agenda page III-8)

Mr. Marx explained that this item is a four-year rule review of rules that provide requirements for school districts relating to budgeting, accounting, financial reporting, and auditing. Mr. Marx explained the changes being made and why the rules are needed.

ACTION ITEM

- 4. Adoption of Review of 19 TAC Chapter 30, Administration, Subchapter B, State Board of Education: Purchasing and Contracts**
(Adoption of Review)
(Board agenda page III-58)
[Official agenda item #9]

Jenna Mattingly, director, contracts and purchasing, stated that the rule being reviewed is related to the historically underutilized business (HUB) program and procedures for formal protests. She stated that staff is not recommending any changes to the rule at this time.

MOTION AND VOTE: *It was moved by Mr. Allen and carried unanimously to recommend that the State Board of Education adopt the review of 19 TAC Chapter 30, Administration, Subchapter B, State Board of Education: Purchasing and Contracts.*

The committee recommended that the item be placed on the consent agenda.

DISCUSSION ITEM

- 5. Review of Permanent School Fund Securities Transactions and the Investment Portfolio**
(Board agenda page III-62)

David Trice, managing director of investment finance and operations, provided a summary on the status of the Permanent School Fund (PSF) portfolio. Reports presented to the committee were for the reporting period October through November 2020, unless otherwise noted. Mr. Trice's report included reporting on the current fair market value of the Fund; the asset allocation mix as of November 30, 2020; PSF transactions occurring in the reporting period; revenues and expenditures for the fiscal period beginning September 1 through November 30, 2020; the activity in the securities lending program for the fiscal period beginning September 1 through November 30, 2020; the status of transfers from the General Land Office (GLO) as of November 30, 2020, per approved resolutions; current status of the Bond Guarantee Program and the available capacity in the program; broker commissions on both the internal and external equity portfolios for the period beginning January 1, 2020, through November 30, 2020; fixed income rating changes for the fiscal period September 1, 2019, through November 30, 2020; and short-term cash investments.

ACTION ITEMS

6. Ratification of the Purchases and Sales of the Investment Portfolio of the Permanent School Fund for the Months of October and November 2020

(Board agenda page III-63)
[Consent agenda item #(3)]

MOTION AND VOTE: *Based on the information provided by staff and the recommendation of the executive administrator and chief investment officer and the commissioner of education, the committee recommended by unanimous consent that the State Board of Education ratify the purchases and sales for the months of October and November 2020, in the amount of \$1,185,799,475 and \$1,135,739,201, respectively (Attachment A).*

7. Report on the Permanent School Fund Liquid Account

(Board agenda page III-64)
[Consent agenda item #(4)]

Mr. Trice provided a summary of the status of the PSF Liquid Account. Reports presented to the committee were for the reporting period October 1, 2020, through November 30, 2020. Mr. Trice's report included reporting on the current fair market value of the Liquid Account; the asset allocation mix as of November 30, 2020; transfer activity between the GLO and the Liquid Account; cumulative Income and Realized Gains transferred to the SBOE from the Liquid Account as of November 30, 2020; transactions occurring in the reporting period; and ratification of the cumulative Purchases and Sales of the Liquid Account since its inception, October 1, 2020, through November 30, 2020.

MOTION AND VOTE: *Based on the information provided by staff and the recommendation of the executive administrator and chief investment officer and the commissioner of education, the committee recommended by unanimous consent that the State Board of Education ratify the purchases and sales of the Permanent School Fund Liquid Account for the period October 1, 2020, through November 30, 2020, in the amounts of \$368,409,028 and \$335,445,845, respectively (Attachment B).*

DISCUSSION ITEMS

8. Annual Reporting of the Internally Managed Permanent School Fund Investment Portfolio

(Board agenda page III-65)

Holland Timmins, executive administrator and chief investment officer, provided the required attestation regarding compliance with 19 TAC Chapter 33 of the internally managed investment portfolios in the matters of permissible and restricted investments, trading and brokerage policy, and proxy voting policy.

9. Third Quarter 2020 Permanent School Fund Performance Report

(Board agenda page III-66)

Mr. Mike Maher, vice president of BNY Mellon Global and Risk Solutions, presented the third quarter of 2020 PSF performance report. Mr. Maher began with an overview of the U.S. and foreign capital markets. Mr. Maher then reviewed the performance of the Fund for the third quarter of 2020. He stated that the PSF returned 4.86% net of fees for the third quarter, outperforming the target benchmark

by 27 basis points. Mr. Maher attributed most of the outperformance to Private Equity and Fixed Income.

Mr. Maher reviewed the third quarter 2020 performance of the PSF by asset class, stating that the total domestic large cap equity composite returned 8.98%, outperforming its benchmark for the quarter by five basis points. Mr. Maher added that Small/Midcap Equity portfolio returned 4.52% in the quarter, outperforming its benchmark by 21 basis points. He added that international equities returned 7.17% for the quarter, outperforming its benchmark by 34 basis points for the period.

The fixed income portfolio returned 0.88% for the quarter, outperforming its benchmark by 75 basis points. Mr. Maher stated that the Absolute Return composite returned 4.12% for the quarter, underperforming its benchmark, the HFRI Fund of Funds Composite Index, by 27 basis points. Mr. Maher added that the Real Estate composite returned -0.88% for the quarter, underperforming its benchmark by 18 basis points. Mr. Maher added that Total Risk Parity Strategies returned 5.39% in the third quarter of 2020, underperforming its benchmark by 25 basis points. He further stated that the Real Return Asset class returned 6.01% for the quarter, underperforming its benchmark by 7 basis points. He added that Emerging Market Debt returned 0.92% for the quarter, outperforming its benchmark by 30 basis points. Mr. Maher stated that private equity returned 8.17% for the quarter, outperforming its benchmark by 74 basis points. Finally, he stated that the total emerging market equity composite returned 10.45% for the second quarter 2020, beating its benchmark by 89 basis points.

ACTION ITEMS

10. Approval of an Extension of the Standard Contract with BNY Mellon and Authorization for Contract Execution by the Commissioner of Education

(Board agenda page III-67)

[Consent agenda item #(5)]

Mr. Timmins stated that the purpose of the item was for the committee and board to extend the standard contract with The Bank of New York Mellon and authorization for contract execution by the commissioner of education.

MOTION AND VOTE: *By unanimous consent the committee recommended that the State Board of Education approve renewal of the standard contract with The Bank of New York Mellon beginning September 1, 2021, and ending August 31, 2024, and authorize contract execution by the commissioner of education.*

11. 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-68)

[Consent agenda item #(6)]

Carlos Veintemillas, deputy chief investment officer and director of fixed income, stated that proposed amendments were related to the asset allocation of the PSF, securities lending in the Liquid Account, transactions and restrictions that apply to permissible investments, and updates to cross references and a section title.

Mr. Veintemillas made a presentation regarding the proposed amendment to allow the addition of non-investment grade rated bonds in the PSF fixed income portfolio. Rhett Humphreys, partner, NEPC, discussed the differences in investment grade rated and non-investment grade rated fixed income securities and how the proposed amendment could impact the risk and return of the PSF. Chuck Campbell, fiduciary counsel, stated that the committee was following a prudent investment process in considering the amendments. Mr. Timmins noted the agency had received one public comment on the proposal.

MOTION: *It was moved by Mr. Allen to recommend 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.

MOTION AND VOTE: *It was moved by Dr. Ellis, seconded by Mr. Allen, and carried to strike the proposed amendments related to the changes proposed in §33.25(b)(12) and §33.25(b)(13).*

VOTE: *A vote was taken on the original motion to recommend 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, as amended; 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.

The motion carried.

DISCUSSION ITEM

12. Review of the Private Equity Asset Class for the Permanent School Fund

(Board agenda page III-76)

The PSF private equity consultant, Neuberger Berman, was represented by Brien Smith, chief operating officer and managing director, and Kaci Boyer, principal. PSF Staff was represented by John Grubenman, director of private markets, and Erin Wedepohl, managing director.

Mr. Smith, Ms. Boyer, Mr. Grubenman, and Ms. Wedepohl provided an update on the performance and progress of the PSF private equity program.

ACTION ITEM

13. Review of Real Return Asset Class for the Permanent School Fund

(Board agenda page III-77)

[Consent agenda item #(7)]

Mr. Veintemillas gave an update on the real return strategy and structure. Katie Reissman, managing director, Bill Glenn, portfolio manager, and Andrew Bunker, portfolio manager, also participated in the presentation. Keith Stronkowsky, senior consultant at NEPC, provided an overview of the real return structure. Both staff and NEPC recommended to terminate the external managers and have staff manage the remaining assets.

MOTION AND VOTE: *By unanimous consent, the committee recommended that the State Board of Education terminate Credit Suisse and PIMCO and allocate remaining funds to the PSF internally managed commodities portfolio to align the allocation with the asset allocation approved by the SBOE in July 2020.*

DISCUSSION ITEM

14. Report of the Permanent School Fund Executive Administrator and Chief Investment Officer

(Board agenda page III-78)

Mr. Timmins informed the committee that Fitch Ratings had reaffirmed the PSF's AAA rating. He also provided them an update on the Bond Guarantee Program. He reported that at this time there were not many bills filed during the 87th Texas Legislative Session affecting the PSF. Mr. Timmins provided the preliminary performance numbers for the fourth quarter reporting period.

The meeting of the Committee on School Finance/Permanent School Fund adjourned at 1:19 p.m.

**TEXAS PERMANENT SCHOOL FUND
SUMMARY OF TRANSACTIONS FOR APPROVAL
(Including External Manager's Trades)
For October 1, 2020 through November 30, 2020**

Purchases/Capital Calls:

Long Term Fixed Income	\$ 649,754,061
Public Market Equities	160,523,482
Alternative Investments	<u>375,521,932</u>
TOTAL	<u>\$ 1,185,799,475</u>

Sales/Distributions:

Long Term Fixed Income	\$ 363,026,347
Public Market Equities	567,256,560
Alternative Investments	<u>205,456,294</u>
TOTAL	<u>\$ 1,135,739,201</u>

General Land Office Contributions:

FY 2020 Cumulative November 2019	FY 2021 Cumulative November 2020
\$2,500,000	\$11,250,000

Based on the above information provided by staff including a report that deposits to the Permanent School Fund from the General Land Office were \$2,500,000 through November 2019 for fiscal year 2020 versus \$11,250,000 through November 2020 for fiscal year 2021, 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 2020 and November 2020 Permanent School Fund portfolio purchases of \$1,185,605,385 and sales of \$1,135,739,201.

**TEXAS PERMANENT SCHOOL FUND
SUMMARY OF TRANSACTIONS FOR APPROVAL
FOR PSF LIQUID ACCOUNTS
For October 1, 2020 through November 30, 2020**

Purchases:

Fixed Income	\$ 363,801,536
Public Market Equities	4,607,492
	<hr/>
TOTAL	<u>\$ 368,409,028</u>

Sales:

Fixed Income	\$ 334,400,195
Public Market Equities	1,045,650
	<hr/>
TOTAL	<u>\$ 335,445,845</u>

Based on the above information provided by staff 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 period October 1, 2020 through November 30, 2020 Permanent School Fund Liquid Account purchases of \$368,409,028 and sales of \$335,445,845.

**Report of the State Board of Education
Committee on School Initiatives
January 28, 2021**

The State Board of Education Committee on School Initiatives met at 9:03 a.m. on Thursday, January 28, 2021, in Room, #1-111, of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas. Attendance was noted as follows:

Present: Matt Robinson, chair; Ruben Cortez, Jr.; Aicha Davis, vice-chair; Will Hickman; Jay Johnson

Non-Committee Members Present: Georgina C. Pérez

Public Testimony

The Committee on School Initiatives heard public testimony on agenda items #2 and #5. Information regarding the individuals who presented public testimony is included in the discussion of that item.

The Committee on School Initiatives considered items in the following order: Item number 1, 5, 2, 3, 4

ACTION ITEM

1. Election of Chair

(Board agenda page IV-1)

NOMINATION: Dr. Johnson nominated Dr. Robinson for chair of the Committee on School Initiatives for a two-year term.

Dr. Robinson was elected chair of the Committee on School Initiatives.

Dr. Robinson appointed Ms. Davis to serve as vice-chair.

DISCUSSION ITEM

2. Open-Enrollment Charter School Generation 26 Application Updates

(Board agenda page IV-2)

Heather Mauzé, director, charter school authorizing and administration division, presented information on the Generation 26 Open-Enrollment Charter Application cycle, its timeline, and next steps in the application process.

Public testimony was provided by the following individuals:

NAME: Carrie Griffith
AFFILIATION: Texas State Teachers Association

NAME: Nicole Dray
AFFILIATION: San Marcos Consolidated Independent School District

NAME: Patty Quinzi
AFFILIATION: TX-American Federation of Teachers

NAME: Cameron Vickrey
AFFILIATION: RootEd and Pastors for Texas Children

NAME: Vernagene Mott
AFFILIATION: Self

ACTION ITEMS

3. Adoption of Review of 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions

(Adoption of Review)

(Board agenda page IV-3)

[Official agenda item #10]

Cristina De La Fuente-Valadez, director of rulemaking, informed the committee that no public comments were received on the rule review of 19 TAC Chapter 30, Subchapter A.

MOTION AND VOTE: *It was moved by Mr. Hickman, seconded by Dr. Johnson, and carried unanimously to recommend that the State Board of Education adopt the review of 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions.*

(Mr. Cortez was absent for the vote.)

The committee recommended that the item be placed on the consent agenda.

4. Proposed Amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes

(First Reading and Filing Authorization)

(Board agenda page IV-8)

[Official agenda item #11]

Ms. De La Fuente-Valadez explained that the proposed amendment would update the rule and petition form to allow for the electronic submission of a petition. She stated that the proposed amendment would also include changes to update current procedures to ensure timely acknowledgement and review of a petition and improve readability. She informed the committee that this item was presented for consideration at first reading instead of discussion to timely provide the option of submitting a petition electronically.

MOTION AND VOTE: *It was moved by Mr. Cortez, seconded by Mr. Hickman, and carried unanimously to recommend that the State Board of Education suspend the board operating procedures in accordance with §5.2(a) to allow consideration at first reading and filing authorization; and*

Approve for first reading and filing authorization the proposed amendment to 19 TAC Chapter 30, Administration, Subchapter A, State Board of Education: General Provisions, §30.1, Petition for Adoption of Rule Changes.

5. **Proposed New 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District (First Reading and Filing Authorization)**
(Board agenda page IV-13)
[Official agenda item #12]

Jeff Cottrill, deputy commissioner, governance and accountability, explained the need to provide Boys Ranch Independent School District with flexibility in scheduling the first day and last day of their school year.

Invited testimony was provided by the following individual:

NAME: Kenneth Brown
AFFILIATION: Boys Ranch Independent School District

MOTION AND VOTE: *It was moved by Mr. Cortez, seconded by Ms. Davis, and carried unanimously to recommend that the State Board of Education approve for first reading and filing authorization proposed new 19 TAC Chapter 61, School Districts, Subchapter B, Special Purpose School Districts, §61.111, Applicability of State Law to Boys Ranch Independent School District.*

The committee recommended that the item be placed on the consent agenda.

The meeting of the Committee on School Initiatives adjourned at 10:54 a.m.

