

**Report of the State Board of Education  
Committee of the Full Board  
June 13, 2018**

The State Board of Education Committee of the Full Board met at 9:06 a.m. on Wednesday, June 13, 2018, 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: Donna Bahorich, chair; Lawrence A. Allen, Jr.; Erika Beltran; David Bradley; Barbara Cargill; Ruben Cortez, Jr.; Keven Ellis; Pat Hardy; Tom Maynard; Sue Melton-Malone; Ken Mercer; Geraldine “Tincy” Miller; Georgina C. Pérez; Marisa B. Perez-Diaz; Marty Rowley, vice chair

**Public Testimony**

The Committee of the Full Board received no presentations of public testimony.

**DISCUSSION ITEM**

**1. Commissioner's Comments**  
(Board agenda page I-45)

Commissioner of Education Mike Morath briefed the board on school safety measures following the tragedy at Santa Fe High School and recommendations made to districts based on Governor Abbott’s *School and Firearm Safety Action Plan*. He provided updates on Hurricane Harvey and waiver options that will be available related to accountability. Commissioner Morath announced his approval of four new charter schools. He provided an update on the April and May administrations of the State of Texas Assessment of Academic Readiness and steps that are being taken to address connectivity interruptions that occurred during online testing. Lastly, Commissioner Morath discussed extensive feedback that was received on the A-F accountability system and explained changes that were made to scoring, relative performance, and educational equity in response to the feedback and to support continuous school improvement.

**ACTION ITEMS**

**2. Approval of Proclamation 2020 Questions and Answers**  
(Board agenda page I-1)  
[Official agenda item #3]

Monica Martinez, associate commissioner for standards and support services, explained that approval of the questions and answers document is a regular part of the proclamation process. She highlighted several questions in the draft including questions that address new requirements for publishers.

The board asked for staff to prepare a new answer to question #71 for consideration by the SBOE on Friday.

**MOTION AND VOTE:** *It was moved by Mr. Rowley, seconded by Mrs. Miller, and carried unanimously to recommend that the State Board of Education approve Proclamation 2020 Questions and Answers.*

**3. Texas Certificate of High School Equivalency**

(Board agenda page I-5)

[Official agenda item #4]

The Committee of the Full Board took no action on this item.

**CONSENT ITEMS**

**4. Review and Adoption of the Long-Term Strategic Asset Allocation Plan of the Permanent School Fund**

(Board agenda page I-9)

[Consent agenda item #(1)]

Tom Heiner, BNY Mellon Global and Risk Solutions, presented an overview of the first quarter 2018 Permanent School Fund (PSF) performance report. Mr. Heiner discussed PSF asset allocation as of March 31, 2018, and performance of the PSF by asset class including asset correlations.

Keith Stronkowsky, senior consultant, NEPC, presented the PSF 2018 asset allocation review. Mr. Stronkowsky discussed key themes and observations that went into NEPC's recommendation. NEPC recommended that the current plan is well structured and there are no recommendations for changes.

- US Large Cap Equities 13%
- US Small/Mid Cap Equities 5%
- Int'l Equities 14%
- Emerging Int'l Equities 3%
- Core Bonds 12%
- Emerging Market Debt (Local Currency) 7%
- Private Equity 13%
- Real Return 6%
- Real Estate 10%
- Absolute Return 10%
- Risk Parity 7%

**MOTION AND VOTE:** *It was moved by Mr. Bradley, seconded by Ms. Hardy, and carried unanimously to recommend that the State Board of Education adopt the recommendation of the NEPC and staff to approve the long-term strategic asset allocation of the Permanent School Fund, as delineated on page 8 of the presentation titled "Meeting Materials Texas Permanent School Fund."*

**5. Review of the Report on Permanent School Fund Percentage Distribution Rates Under Consideration for Fiscal Years 2020 and 2021**

(Board agenda page I-11)  
[Consent agenda item #(2)]

Holland Timmins, chief investment officer and executive administrator for the Permanent School Fund, made a presentation on the distributions from the Permanent School Fund (PSF) to the Available School Fund (ASF).

Mr. Timmins stated that the agenda item fulfills the requirement that the State Board of Education report the distribution rates under consideration to the Legislative Budget Board and the Governor prior to their adoption. He noted one of the unknown factors is the amount of the contribution from the School Land Board to the State Board of Education for investment in the PSF. The School Land Board will make a determination before the next State Board of Education meeting in September.

Carlos Veintemillas, deputy chief investment officer and director of fixed income, presented the PSF staff document discussing the Texas Permanent School Fund Distributions to the Available School Fund. He discussed the factors considered in determining an appropriate distribution rate for the fund that preserves intergenerational equity. The staff recommendation was for the board to adopt a range for the distribution rate of between 2.38% and 4.01%.

Keith Stronkowsky, senior consultant, NEPC, discussed the factors NEPC used to make its recommendation, stating that the only difference in the variables was the inflation rate. NEPC's recommendation was for a range in the distribution rate of between 2.50% and 4.00%.

**MOTION AND VOTE:** *It was moved by Mr. Bradley, seconded by Ms. Hardy, and carried unanimously to recommend that the State Board of Education approve a range for the distribution rate of between 2.38% and 4.01% for fiscal years 2020 and 2021.*

**ACTION ITEMS**

**6. Proposed New 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.39, Requirements for Instruction on Proper Interaction with Peace Officers**

(Second Reading and Final Adoption)  
(Board agenda page I-15)  
[Official agenda item #5]

Ms. Martinez explained that the proposed rule would require districts to provide instruction to students in grades 9-12 on proper interaction with peace officers as established by Senate Bill 30, the Community Safety Education Act, 85<sup>th</sup> Texas Legislature, Regular Session, 2017. Ms. Martinez also provided an overview of the public comments received and instructional resources that are planned in support of the new requirement.

**MOTION AND VOTE:** *It was moved by Mr. Rowley, seconded by Ms. Hardy, and carried unanimously to recommend that the State Board of Education approve for second reading and final adoption proposed new 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.39, Requirements for Instruction on Proper Interaction with Peace Officers; and make an affirmative finding that immediate adoption of proposed new 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions, §74.39, Requirements for Instruction on Proper Interaction with Peace Officers, is necessary and shall have an effective date of August 27, 2018.*

7. **Proposed New 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies, Subchapter C, High School, §113.50, Ethnic Studies: An Overview of Americans of Mexican Descent (One Credit)**

(First Reading and Filing Authorization)

(Board agenda page I-23)

[Official agenda item #6]

Shelly Ramos, senior director, curriculum standards and student support, explained the proposal would add Texas Essential Knowledge and Skills (TEKS) for a new high school social studies course for implementation in the 2019-2020 school year. The TEKS are based on the SBOE-approved Houston ISD innovative course with a few modifications.

**MOTION:** *It was moved by Mr. Rowley and seconded by Mr. Maynard to recommend that the State Board of Education approve for first reading and filing authorization proposed new 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies, Subchapter C, High School, §113.50, Ethnic Studies: An Overview of Americans of Mexican Descent (One Credit).*

**MOTION AND VOTE:** *It was moved by Mr. Maynard, seconded by Ms. Hardy, and carried unanimously to recommend that the State Board of Education amend §113.50 to insert new (b)(4) and (5) to read as follows:*

- (4) Students identify the role of the U.S. free enterprise system within the parameters of this course and understand that this system may also be referenced as capitalism or the free market system.
- (5) Throughout social studies in Kindergarten-Grade 12, students build a foundation in history; geography; economics; government; citizenship; culture; science, technology, and society; and social studies skills. The content, as appropriate for the grade level or course, enables students to understand the importance of patriotism, function in a free enterprise society, and appreciate the basic democratic values of our state and nation as referenced in the Texas Education Code (TEC), §28.002(h).

**MOTION AND VOTE:** *It was moved by Mrs. Cargill, seconded by Mrs. Miller, and carried to recommend that the State Board of Education amend §113.50(c)(9) to read as follows:*

- (9) Citizenship. The student understands the importance of the respectful expression of different points of view in a constitutional republic. The student is expected to:

(A) describe the rights and responsibilities of Mexican Americans as Americans in civic participation within the U.S.;

(B) discuss ways Americans interpret formal citizenship and cultural citizenship, including membership in one nation and membership in diverse cultural groups;

~~(B) discuss diverse constructs of citizenship and community, including formal citizenship and cultural citizenship;~~

(C) discuss ways individuals contribute to the national identity as members of diverse cultural groups; and

(D) (C) analyze the connotations and histories of identity nomenclature relevant to Mexican Americans such as Mexican, Spanish, Hispanic, Chicana/o, illegal, undocumented, Mexican American, and American Mexican.

**MOTION:** *It was moved by Ms. Pérez and seconded by Mr. Bradley to recommend that the State Board of Education amend the course title to Ethnic Studies: Mexican American Studies (One Credit).*

**MOTION AND VOTE:** *It was moved by Ms. Beltran and seconded by Ms. Perez-Diaz to amend Ms. Pérez’s motion to strike “Ethnic Studies:” from the title and name the course Mexican American Studies (One Credit). The motion failed.*

**VOTE:** *A vote was taken on the motion to recommend that the State Board of Education amend the course title to Ethnic Studies: Mexican American Studies (One Credit). The motion carried unanimously.*

**VOTE:** *A vote was taken on the motion to recommend that the State Board of Education approve for first reading and filing authorization proposed new 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies, Subchapter C, High School, §113.50, Ethnic Studies: Mexican American Studies (One Credit), as amended by the Committee of the Full Board. The motion carried unanimously with 15 members voting Aye and no members voting no as follows:*

Aye:	Mr. Allen	Mr. Maynard
	Mrs. Bahorich	Mrs. Melton-Malone
	Ms. Beltran	Mr. Mercer
	Mr. Bradley	Mrs. Miller
	Mrs. Cargill	Ms. Pérez
	Mr. Cortez	Ms. Perez-Diaz
	Dr. Ellis	Mr. Rowley
	Ms. Hardy	

## **DISCUSSION ITEM**

### **8. Discussion of Proposed Revisions to 19 TAC Chapter 113, Texas Essential Knowledge and Skills for Social Studies, and Chapter 118, Texas Essential Knowledge and Skills for Economics with Emphasis on the Free Enterprise System and Its Benefits**

(Board agenda page I-47)

Ms. Martinez explained the steps in the social studies TEKS streamlining process that are scheduled to occur before the next board meeting. The committee provided specific feedback on the current draft of proposed revisions for work groups to consider. The committee requested that staff prepare a list of all the instances of “such as” and “including” language in the draft.

### **9. Discussion of Pending Litigation**

(Board agenda page I-55)

The committee did not discuss pending litigation; therefore, no executive session was held.

Mrs. Bahorich adjourned the meeting at 6:26 p.m.