State Board of Education
Summary of Action Items
July 23, 2010

1. Resolutions and Presentations

No resolutions or presentations came before the board at this meeting.

Staff Contact: Questions about this item should be directed to the office of the State Board of Education at (512) 463-9007.

2. Approval of Consent Agenda

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

(1). Adoption of an Annual Report on the Status of the Bond Guarantee Program (Committee on School Finance/Permanent School Fund)

The board voted to adopt an annual report on the status of the Bond Guarantee Program as of Aug. 31, 2009.

Staff Contact: Questions about this item should be directed to the Division of the Permanent School Fund (512) 463-9169.

(2). Ratification of the Purchases and Sales of the Investment Portfolio of the Permanent School Fund for the Months of March, April and May 2010. (Committee on School Finance/Permanent School Fund)

The board voted to approve the purchases and sales of securities executed in the portfolio of the Permanent School Fund for the months of March, April and May 2010 in the amount of $1,370,716,994 and $855,546,946, respectively.

Staff Contact: Questions about this item should be directed to the Division of the Permanent School Fund (512) 463-9169.

(3). Recommendation for Appointment to the Lackland Independent School District Board of Trustees (Committee on School Initiatives)

The board approved the reappointment of Laura J. Munro to the board of trustees of the Lackland Independent School District for a two-year term from July 23, 2010 to July 22, 2012.

Staff Contact: Questions about this item should be directed to the office of School District Leadership and Educator Quality at (512) 463-7996.

ITEMS FOR ACTION BY THE FULL SBOE (COMMITTEE OF THE FULL BOARD)

3. Consideration of Petition for Adoption of Rule Concerning 19 TAC Chapter 66, State Adoption and Distribution of Instructional Materials

The board denied a petition by Carl Olson, founder of Textbook Trust of Woodland Hills, California, who asked that the Texas Education Agency establish a separate office to monitor textbook errors. There is already an extensive process in place to ensure textbook accuracy.

Staff Contact: Questions about this item should be directed to the Division of Instructional Materials and Educational Technology at (512) 463-9601.

4. Review of the Report on Permanent School Fund Percentage Distribution Rates Under Consideration for Fiscal Years 2012 and 2013

The distribution rate to the Available School Fund from the Permanent School Fund for fiscal years beginning Sept. 1, 2012 and Sept. 1, 2013 will be between 1.5 percent and 3.5 percent.

Staff Contact: Questions about this item should be directed to the Division of the Permanent School Fund at (512) 463-9169.

5. Approval of Question and Answer Document for Supplemental Science

The board approved an amended question and answer document for supplemental science material. The document is available for review at http://ritter.tea.state.tx.us/textbooks/proclamations/SupplementalScience/RequestSupplementalScience-Materials_QA.pdf.

Staff Contact: Questions about this item should be directed to the Division of Instructional Materials and Educational Technology at (512) 463-9601.

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

The board approved the following asset allocation plan on a 7-6 vote.

2010 Asset Allocation Update		
Category	**Current Policy**	**New Policy**
Large Cap Equities	24%	21%
Small/Mid Cap Equities	7%	7%
International Large & Emerging Equity	18%	18%
International Small Cap Equities	4%	4%
Total Equity	**53%**	**50%**
Core Bonds	19%	15%
Total Fixed Income	**19%**	**15%**
Real Estate	6%	6%
Private Equity	6%	6%
Real Return	6%	5.5%
Absolute Return	10%	10%
Risk Parity	0%	7%
Charter School Allocation	0%	0.5%
Total Alternatives	**28%**	**35%**
Expected Return	7.80%	7.82

Staff Contact: Questions about this item should be directed to the Division of the Permanent School Fund at (512) 463-9169.

COMMITTEE ON INSTRUCTION

7. Proposed Amendments to 19 TAC Chapter 89, Adaptations for Special Populations, Subchapter D, Special Education Services and Settings (Second Reading and Final Adoption)

The board approved for second reading and final adoption amendments that incorporate technical edits to 19 TAC §89.61, Contracting for Residential Educational Placements for Students with Disabilities, and 19 TAC §89.63, Instructional Arrangements and Settings, for clarification resulting from changes to state law and federal regulations.

Staff Contact: Questions about this item should be directed to IDEA Coordination at (512) 463-9414.

8. Proposed Repeal of Career and Technical Education Texas Essential Knowledge and Skills in 19 TAC Chapters 119-125 and Proposed Revisions to 19 TAC Chapter 127, Texas Essential Knowledge and Skills for Career Development (Second Reading and Final Adoption)

The board approved the repeal of 19 TAC Chapters 119-125. The repeal removes the Texas Essential Knowledge and Skills (TEKS) implemented in 1998 for Career and Technical Education (CTE) courses that will be superseded by the revised CTE TEKS in the 2010-2011 school year.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

9. Proposed Repeal of 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, Subchapter A, Elementary, §§112.1-112.7, Subchapter B, Middle School, §§112.21-112.24, and Subchapter C, High School, §§112.41-112.49, and Proposed Amendments to 19 TAC Chapter 112, Texas Essential Knowledge and Skills for Science, §§112.10, 112.17, and 112.31 (Second Reading and Final Adoption)

The board approved the repeal of 19 TAC Chapter 112. The repeal removes the Texas Essential Knowledge and Skills (TEKS) implemented in 1998 for Kindergarten-Grade 8 and high school science courses that will be superseded by the revised science TEKS in the 2010-2011 school year.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

10. Proposed Revisions to 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions (Second Reading and Final Adoption)

The board approved revisions to 19 TAC Chapter 74, Curriculum Requirements, Subchapter C, Other Provisions. The revisions update various sections within the subchapter as a result of the statutorily required four-year review of rules.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

11. Proposed Approval of Innovative Courses

The board approved an innovative course called College Transition for a three-year period. Innovative courses are courses that do not fall within any of the subject areas of the foundation or enrichment curriculum.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

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

The board voted to invite one member from each technology applications TEKS review committee and the technology applications expert reviewers to the September state board meeting.

Staff Contact: Questions about this item should be directed to the Curriculum Division at (512) 463-9581.

COMMITTEE ON SCHOOL FINANCE/PERMANENT SCHOOL FUND

13. Per Capita Apportionment Rate for 2009-2010 School Year (Moved to Consent)

The board voted to adopt the per capita apportionment rate of $274.062 for the 2009-2010 school year.

Staff Contact: Questions about this item should be directed to the Office of School Finance at (512) 463-9238.

14. Production of Large Type Materials for Texas Public Schools (Moved to Consent)

The board voted to approve a Request for Proposals to produce large type editions of the materials that are scheduled to be adopted by the State Board of Education in November 2010.

Staff Contact: Questions about this item should be directed to the Division of Instructional Materials and Educational Technology at (512) 463-9601.

15. Accessible Digital Textbook Files and Materials for Texas Public Schools (Moved to Consent)

The board voted to approve release of the Requests for Proposals for production of digital Braille textbook files, other accessible student-ready files, tactile graphics and Braille copies of textbooks that are scheduled to be adopted by the State Board of Education in November 2010.

Staff Contact: Questions about this item should be directed to the Division of Instructional Materials and Educational Technology at (512) 463-9601.

16. Decision to Consider the Schedule of the Request for Proposals for the Absolute Return Discretionary Separately Managed Account Fund-of-Fund Hedge Funds Manager (Moved to Consent)

The board voted to take no action on proposed changes to the schedule and decision date for the Request for Proposals for the Absolute Return Discretionary Separately Managed Account Fund-of-Fund Hedge Funds Manager.

Staff Contact: Questions about this item should be directed to the Division of the Permanent School Fund at (512) 463-9169.

17. Selection of Qualified Respondents for Request for Qualifications for Fiduciary Counsel, Alternative Assets Portfolio/Contracting and Tax Counsel for the Permanent School Fund.

The board voted to approve four qualified fiduciary respondents from the Request for Qualifications for Fiduciary Counsel, Alternative Assets Portfolio/ Contracting and Tax Counsel for the Permanent School Fund. The law firms are Graves, Dougherty, Hearon & Moody, P.C.; Reinhart, Boerner & Van Duren; Strasburger & Price LLP.; and Andrews Kurth LLP. The board instructed staff to renew, extend or re-contract with Graves, Dougherty, Hearon & Moody, P.C. and Strasburger & Price LLP for fiduciary services. The board also directed that staff has discretion to decide which firm to use for legal work.

Staff Contact: Questions about this item should be directed to the Division of the Permanent School Fund (512) 463-9169.

COMMITTEE ON SCHOOL INITIATIVES

18. Review of Proposed Amendment to 19 TAC Chapter 231, Assignment of Public School Personnel, §231.1, Criteria for Assignment of Public School Personnel

The board took no action on a review of the State Board for Educator Certification (SBEC) rule amending 19 TAC Chapter 231, Assignment of Public School Personnel, §231.1, Criteria for Assignment of Public School Personnel. The amendment updates the rule as a result of recent revisions to the Texas Essential Knowledge and Skills (TEKS) and course offerings for career and technical education (CTE) mandated by House Bill (HB) 3485, 80th Texas Legislature, 2007. The amendment also includes technical changes that clarify and update other content areas.

Staff Contact: Questions about this item should be directed to the Division of Educator Certification and Standards at (512) 936-8304.

19. Review of Proposed Revisions to 19 TAC Chapter 250, Agency Administration

The board took no action on revisions to SBEC rules regarding agency administration. The revisions provide updates to reflect current law and to note that the Texas Education Agency (TEA) provides the SBEC's administrative functions and services, which include purchasing, rule making, and contracts.

Staff Contact: Questions about this item should be directed to the Division of Educator Certification and Standards at (512) 936-8304.

20. Adoption of Governance Reporting Form for Open-Enrollment Charter Schools

The board approved the annual governance reporting form for open-enrollment charter schools.

Staff Contact: Questions about this item should be directed to the Division of Charter School Administration at (512) 463-9575.

21. Proposed Guidelines and Application for Open-Enrollment Charters

The SBOE approved the application and timeline for the 16th generation of open-enrollment charter schools.

Staff Contact: Questions about this item should be directed to the Division of Charter School Administration at (512) 463-9575.

22. Proposed Guidelines and Application for Public College or University Charters

The board adopted the application form for the public college or university open-enrollment charters.

Staff Contact: Questions about this item should be directed to the Division of Charter School Administration at (512) 463-9575.