

ATTACHMENT I

Statutory Citations Relating to Revisions to 19 TAC Chapter 97, Planning and Accountability, Subchapter EE, Accreditation Status, Standards, and Sanctions

Texas Education Code (TEC), Chapter 39, Public School System Accountability, Subchapter C, Accreditation

§39.051. Accreditation Status.

Accreditation of a school district is determined in accordance with this subchapter. The commissioner by rule shall determine in accordance with this subchapter the criteria for the following accreditation statuses:

- (1) accredited;
- (2) accredited-warned; and
- (3) accredited-probation.

§39.052. Determination of Accreditation Status or Performance Rating.

- (a) Each year, the commissioner shall determine the accreditation status of each school district.
- (b) In determining the accreditation status of a school district, the commissioner:
 - (1) shall evaluate and consider:
 - (A) performance on student achievement indicators described by Section 39.053(c); and
 - (B) performance under the financial accountability rating system developed under Subchapter D; and
 - (2) may evaluate and consider:
 - (A) the district's compliance with statutory requirements and requirements imposed by rule of the commissioner or State Board of Education under specific statutory authority that relate to:
 - (i) reporting data through the Public Education Information Management System (PEIMS) or other reports required by state or federal law or court order;
 - (ii) the high school graduation requirements under Section 28.025; or
 - (iii) an item listed under Sections 7.056(e)(3)(C)-(I) that applies to the district;
 - (B) the effectiveness of the district's programs for special populations; and
 - (C) the effectiveness of the district's career and technology program.
- (c) Based on a school district's performance under Subsection (b), the commissioner shall:
 - (1) assign each district an accreditation status; or
 - (2) revoke the accreditation of the district and order closure of the district.

- (d) A school district's accreditation status may be raised or lowered based on the district's performance or may be lowered based on the performance of one or more campuses in the district that is below a standard required under this subchapter.
- (e) The commissioner shall notify a school district that receives an accreditation status of accredited-warned or accredited-probation or a campus that performs below a standard required under this subchapter that the performance of the district or campus is below a standard required under this subchapter. The commissioner shall require the district to notify the parents of students enrolled in the district and property owners in the district of the district's accreditation status and the implications of that accreditation status.
- (f) A school district that is not accredited may not receive funds from the agency or hold itself out as operating a public school of this state.
- (g) This chapter may not be construed to invalidate a diploma awarded, course credit earned, or grade promotion granted by a school district before the commissioner revoked the district's accreditation.

§39.056. On-Site Investigations.

- (a) The commissioner may:
 - (1) direct the agency to conduct on-site investigations of a school district at any time to answer any questions concerning a program, including special education, required by federal law or for which the district receives federal funds; and
 - (2) as a result of the investigation, change the accreditation status of a district, change the accountability rating of a district or campus, or withdraw a distinction designation under Subchapter G.
- (b) The commissioner shall determine the frequency of on-site investigations by the agency according to annual comprehensive analyses of student performance and equity in relation to the student achievement indicators adopted under Section 39.053.
- (c) In making an on-site accreditation investigation, the investigators shall obtain information from administrators, teachers, and parents of students enrolled in the school district. The investigation may not be closed until information is obtained from each of those sources. The State Board of Education shall adopt rules for:
 - (1) obtaining information from parents and using that information in the investigator's report; and
 - (2) obtaining information from teachers in a manner that prevents a district or campus from screening the information.
- (d) The agency shall give written notice to the superintendent and the board of trustees of a school district of any impending investigation of the district's accreditation.
- (e) The investigators shall report orally and in writing to the board of trustees of the school district and, as appropriate, to campus administrators and shall make recommendations concerning any necessary improvements or sources of aid such as regional education service centers.

§39.057. Special Accreditation Investigations.

- (a) The commissioner shall authorize special accreditation investigations to be conducted:

- (1) when excessive numbers of absences of students eligible to be tested on state assessment instruments are determined;
 - (2) when excessive numbers of allowable exemptions from the required state assessment instruments are determined;
 - (3) in response to complaints submitted to the agency with respect to alleged violations of civil rights or other requirements imposed on the state by federal law or court order;
 - (4) in response to established compliance reviews of the district's financial accounting practices and state and federal program requirements;
 - (5) when extraordinary numbers of student placements in disciplinary alternative education programs, other than placements under Sections 37.006 and 37.007, are determined;
 - (6) in response to an allegation involving a conflict between members of the board of trustees or between the board and the district administration if it appears that the conflict involves a violation of a role or duty of the board members or the administration clearly defined by this code;
 - (7) when excessive numbers of students in special education programs under Subchapter A, Chapter 29, are assessed through assessment instruments developed or adopted under Section 39.023(b);
 - (8) in response to an allegation regarding or an analysis using a statistical method result indicating a possible violation of an assessment instrument security procedure established under Section 39.0301, including for the purpose of investigating or auditing a school district under that section;
 - (9) when a significant pattern of decreased academic performance has developed as a result of the promotion in the preceding two school years of students who did not perform satisfactorily as determined by the commissioner under Section 39.0241(a) on assessment instruments administered under Section 39.023(a), (c), or (l);
 - (10) when excessive numbers of students graduate under the minimum high school program;
 - (11) when excessive numbers of students eligible to enroll fail to complete an Algebra II course or any other course determined by the commissioner as distinguishing between students participating in the recommended high school program from students participating in the minimum high school program;
 - (12) when resource allocation practices as evaluated under Section 39.0821 indicate a potential for significant improvement in resource allocation; or
 - (13) as the commissioner otherwise determines necessary.
- (b) If the agency's findings in an investigation under Subsection (a)(6) indicate that the board of trustees has observed a lawfully adopted policy, the agency may not substitute its judgment for that of the board.
 - (c) The commissioner may authorize special accreditation investigations to be conducted in response to repeated complaints submitted to the agency concerning imposition of excessive paperwork requirements on classroom teachers.
 - (d) Based on the results of a special accreditation investigation, the commissioner may:

- (1) take appropriate action under Subchapter E;
 - (2) lower the school district's accreditation status or a district's or campus's accountability rating; or
 - (3) take action under both Subdivisions (1) and (2).
- (e) Regardless of whether the commissioner lowers the school district's accreditation status or a district's or campus's performance rating under Subsection (d), the commissioner may take action under Sections 39.102(a)(1) through (8) or Section 39.103 if the commissioner determines that the action is necessary to improve any area of a district's or campus's performance, including the district's financial accounting practices.

§39.058. Conduct of Investigations.

- (a) The agency shall adopt written procedures for conducting on-site investigations under this subchapter. The agency shall make the procedures available to the complainant, the alleged violator, and the public. Agency staff must be trained in the procedures and must follow the procedures in conducting the investigation.
- (b) After completing an investigation, the agency shall present preliminary findings to any person the agency finds has violated a law, rule, or policy. Before issuing a report with its final findings, the agency must provide a person the agency finds has violated a law, rule, or policy an opportunity for an informal review by the commissioner or a designated hearing examiner.

**TEC, Chapter 39, Public School System Accountability,
Subchapter D, Financial Accountability**

§39.0823. Projected Deficit.

- (a) If the review process under Section 39.0822 indicates a projected deficit for a school district general fund within the following three school years, the district shall provide the agency interim financial reports, supplemented by staff and student count data, as needed, to evaluate the district's current budget status.
- (b) If the interim financial data provided under Subsection (a) substantiates the projected deficit, the school district shall develop a financial plan and submit the plan to the agency for approval. The agency may approve the plan only if the agency determines the plan will permit the district to avoid the projected insolvency.
- (c) The commissioner shall assign a school district an accredited-warned status if:
 - (1) the district fails to submit a plan as provided by Subsection (b);
 - (2) the district fails to obtain approval from the agency for a plan as provided by Subsection (b);
 - (3) the district fails to comply with a plan approved by the agency under Subsection (b); or
 - (4) the agency determines in a subsequent school year, based on financial data submitted by the district, that the approved plan for the district is no longer sufficient or is not appropriately implemented.

**TEC, Chapter 39, Public School System Accountability,
Subchapter E, Accreditation Interventions and Sanctions**

§39.102. Interventions and Sanctions for Districts.

- (a) If a school district does not satisfy the accreditation criteria under Section 39.052, the academic performance standards under Section 39.053 or 39.054, or any financial accountability standard as determined by commissioner rule, the commissioner shall take any of the following actions to the extent the commissioner determines necessary:
- (1) issue public notice of the deficiency to the board of trustees;
 - (2) order a hearing conducted by the board of trustees of the district for the purpose of notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the interventions and sanctions that may be imposed under this section if the performance does not improve;
 - (3) order the preparation of a student achievement improvement plan that addresses each student achievement indicator under Section 39.053(c) for which the district's performance is insufficient, the submission of the plan to the commissioner for approval, and implementation of the plan;
 - (4) order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees of the district and the superintendent shall appear and explain the district's low performance, lack of improvement, and plans for improvement;
 - (5) arrange an on-site investigation of the district;
 - (6) appoint an agency monitor to participate in and report to the agency on the activities of the board of trustees or the superintendent;
 - (7) appoint a conservator to oversee the operations of the district;
 - (8) appoint a management team to direct the operations of the district in areas of insufficient performance or require the district to obtain certain services under a contract with another person;
 - (9) if a district has a current accreditation status of accredited-warned or accredited-probation, fails to satisfy any standard under Section 39.054(e), or fails to satisfy financial accountability standards as determined by commissioner rule, appoint a board of managers to exercise the powers and duties of the board of trustees;
 - (10) if for two consecutive school years, including the current school year, a district has received an accreditation status of accredited-warned or accredited-probation, has failed to satisfy any standard under Section 39.054(e), or has failed to satisfy financial accountability standards as determined by commissioner rule, revoke the district's accreditation and:
 - (A) order closure of the district and annex the district to one or more adjoining districts under Section 13.054; or
 - (B) in the case of a home-rule school district or open-enrollment charter school, order closure of all programs operated under the district's or school's charter; or

- (11) if a district has failed to satisfy any standard under Section 39.054(e) due to the district's dropout rates, impose sanctions designed to improve high school completion rates, including:
 - (A) ordering the development of a dropout prevention plan for approval by the commissioner;
 - (B) restructuring the district or appropriate school campuses to improve identification of and service to students who are at risk of dropping out of school, as defined by Section 29.081;
 - (C) ordering lower student-to-counselor ratios on school campuses with high dropout rates; and
 - (D) ordering the use of any other intervention strategy effective in reducing dropout rates, including mentor programs and flexible class scheduling.
- (b) This subsection applies regardless of whether a district has satisfied the accreditation criteria. If for two consecutive school years, including the current school year, a district has had a conservator or management team assigned, the commissioner may appoint a board of managers, a majority of whom must be residents of the district, to exercise the powers and duties of the board of trustees.

§39.103. Interventions and Sanctions for Campuses.

- (a) If a campus performance is below any standard under Section 39.054(e), the commissioner shall take actions, to the extent the commissioner determines necessary, as provided by this subchapter.
- (b) For a campus described by Subsection (a), the commissioner, to the extent the commissioner determines necessary, may:
 - (1) order a hearing to be held before the commissioner or the commissioner's designee at which the president of the board of trustees, the superintendent, and the campus principal shall appear and explain the campus's low performance, lack of improvement, and plans for improvement; or
 - (2) establish a school community partnership team composed of members of the campus-level planning and decision-making committee established under Section 11.251 and additional community representatives as determined appropriate by the commissioner.
- (c) Notwithstanding the provisions of this subchapter, if the commissioner determines that a campus subject to interventions or sanctions under this subchapter has implemented substantially similar intervention measures under federal accountability requirements, the commissioner may accept the substantially similar intervention measures as measures in compliance with this subchapter.

§39.104. Interventions and Sanctions for Charter Schools.

- (a) Interventions and sanctions authorized under this chapter for a school district or campus apply in the same manner to an open-enrollment charter school.
- (b) The commissioner shall adopt rules to implement procedures to impose any intervention or sanction provision under this chapter as those provisions relate to open-enrollment charter schools.

- (c) In adopting rules under this section, the commissioner shall require that the charter of an open-enrollment charter school:
 - (1) be automatically revoked if the charter school is ordered closed under this chapter; and
 - (2) be automatically modified to remove authorization for an individual campus if the campus is ordered closed under this chapter.
- (d) If interventions or sanctions are imposed on an open-enrollment charter school under the procedures provided by this chapter, a charter school is not entitled to an additional hearing relating to the modification, placement on probation, revocation, or denial of renewal of a charter as provided by Subchapter D, Chapter 12.

§39.105. Campus Improvement Plan.

- (a) A campus performance satisfies performance standards under Section 39.054(e) for the current school year but would not satisfy performance standards under Section 39.054(e) if the standards to be used for the following school year were applied to the current school year. On request of the commissioner, the campus-level committee established under Section 11.251 shall revise and submit to the commissioner in an electronic format the portions of the campus improvement plan developed under Section 11.253 that are relevant to those areas for which the campus would not satisfy performance standards.
- (b) If the campus to which this section applies is an open-enrollment charter school, the school shall establish a campus-level planning and decision-making committee as provided for through procedures as much as practicable the same as those provided by Sections 11.251(b)-(e) and develop a campus improvement plan as provided by Section 11.253. On request of the commissioner, the school shall submit to the commissioner in an electronic format the portions of the campus improvement plan that are relevant to those areas for which the campus would not satisfy performance standards.

§39.106. Campus Intervention Team.

- (a) If a campus performance is below any standard under Section 39.054(e), the commissioner shall assign a campus intervention team. A campus intervention team shall:
 - (1) conduct, with the involvement and advice of the school community partnership team, if applicable:
 - (A) a targeted on-site needs assessment relevant to an area of insufficient performance of the campus as provided by Subsection (b); or
 - (B) if the commissioner determines necessary, a comprehensive on-site needs assessment, using the procedures provided by Subsection (b);
 - (2) recommend appropriate actions as provided by Subsection (c);
 - (3) assist in the development of a targeted improvement plan;
 - (4) assist the campus in submitting the targeted improvement plan to the board of trustees for approval and presenting the plan in a public hearing as provided by Subsection (e-1); and
 - (5) assist the commissioner in monitoring the progress of the campus in implementing the targeted improvement plan.

- (b) An on-site needs assessment of the campus under Subsection (a) must determine the contributing education-related and other factors resulting in the campus's low performance and lack of progress. The team shall use all of the following guidelines and procedures relevant to each area of insufficient performance in conducting a targeted on-site needs assessment and shall use each of the following guidelines and procedures in conducting a comprehensive on-site needs assessment:
- (1) an assessment of the staff to determine the percentage of certified teachers who are teaching in their field, the percentage of teachers who are fully certified, the number of teachers with more than three years of experience, and teacher retention rates;
 - (2) compliance with the appropriate class-size rules and number of class-size waivers received;
 - (3) an assessment of the quality, quantity, and appropriateness of instructional materials, including the availability of technology-based instructional materials;
 - (4) a report on the parental involvement strategies and the effectiveness of the strategies;
 - (5) an assessment of the extent and quality of the mentoring program provided for new teachers on the campus and provided for experienced teachers on the campus who have less than two years of teaching experience in the subject or grade level to which the teacher is assigned;
 - (6) an assessment of the type and quality of the professional development provided to the staff;
 - (7) a demographic analysis of the student population, including student demographics, at-risk populations, and special education percentages;
 - (8) a report of disciplinary incidents and school safety information;
 - (9) financial and accounting practices;
 - (10) an assessment of the appropriateness of the curriculum and teaching strategies;
 - (11) a comparison of the findings from Subdivisions (1) through (10) to other campuses serving the same grade levels within the district or to other campuses within the campus's comparison group if there are no other campuses within the district serving the same grade levels as the campus; and
 - (12) any other research-based data or information obtained from a data collection process that would assist the campus intervention team in:
 - (A) recommending an action under Subsection (c); and
 - (B) executing a targeted improvement plan under Subsection (d-3).
- (c) On completing the on-site needs assessment under this section, the campus intervention team shall, with the involvement and advice of the school community partnership team, if applicable, recommend actions relating to any area of insufficient performance, including:
- (1) reallocation of resources;
 - (2) technical assistance;
 - (3) changes in school procedures or operations;

- (4) staff development for instructional and administrative staff;
 - (5) intervention for individual administrators or teachers;
 - (6) waivers from state statutes or rules;
 - (7) teacher recruitment or retention strategies and incentives provided by the district to attract and retain teachers with the characteristics included in Subsection (b)(1); or
 - (8) other actions the campus intervention team considers appropriate.
- (d) The campus intervention team shall assist the campus in submitting the targeted improvement plan to the commissioner for approval.
- (d-1) The commissioner may authorize a school community partnership team established under this subchapter to supersede the authority of and satisfy the requirements of establishing and maintaining a campus-level planning and decision-making committee under Subchapter F, Chapter 11.
- (d-2) The commissioner may authorize a targeted improvement plan or updated plan developed under this subchapter to supersede the provisions of and satisfy the requirements of developing, reviewing, and revising a campus improvement plan under Subchapter F, Chapter 11.
- (d-3) In executing the targeted improvement plan, the campus intervention team shall, if appropriate:
- (1) assist the campus in implementing research-based practices for curriculum development and classroom instruction, including bilingual education and special education programs and financial management;
 - (2) provide research-based technical assistance, including data analysis, academic deficiency identification, intervention implementation, and budget analysis, to strengthen and improve the instructional programs at the campus; and
 - (3) require the district to develop a teacher recruitment and retention plan to address the qualifications and retention of the teachers at the campus.
- (e) For each year a campus is assigned an unacceptable performance rating, a campus intervention team shall:
- (1) continue to work with a campus until:
 - (A) the campus satisfies all performance standards under Section 39.054(e) for a two-year period; or
 - (B) the campus satisfies all performance standards under Section 39.054(e) for a one-year period and the commissioner determines that the campus is operating and will continue to operate in a manner that improves student achievement;
 - (2) assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement; and
 - (3) submit each updated plan described by Subdivision (2) to the board of trustees of the school district.
- (e-1) After a targeted improvement plan or updated plan is submitted to the board of trustees of the school district, the board:

- (1) shall conduct a hearing for the purpose of:
 - (A) notifying the public of the insufficient performance, the improvements in performance expected by the agency, and the intervention measures or sanctions that may be imposed under this subchapter if the performance does not improve within a designated period; and
 - (B) soliciting public comment on the targeted improvement plan or any updated plan;
 - (2) must post the targeted improvement plan on the district's Internet website before the hearing;
 - (3) may conduct one hearing relating to one or more campuses subject to a targeted improvement plan or an updated plan; and
 - (4) shall submit the targeted improvement plan or any updated plan to the commissioner for approval.
- (f) Notwithstanding any other provision of this subchapter, if the commissioner determines that a campus for which an intervention is ordered under Subsection (a) is not fully implementing the campus intervention team's recommendations or targeted improvement plan or updated plan, the commissioner may order the reconstitution of the campus as provided by Section 39.107.

§39.107. Reconstitution, Repurposing, Alternative Management, and Closure.

- (a) After a campus has been identified as unacceptable for two consecutive school years, the commissioner shall order the reconstitution of the campus.
- (a-1) In reconstituting a campus, a campus intervention team shall assist the campus in:
 - (1) developing an updated targeted improvement plan;
 - (2) submitting the updated targeted improvement plan to the board of trustees of the school district for approval and presenting the plan in a public hearing as provided by Section 39.106(e-1);
 - (3) obtaining approval of the updated plan from the commissioner; and
 - (4) executing the plan on approval by the commissioner.
- (b) The campus intervention team shall decide which educators may be retained at that campus. A principal who has been employed by the campus in that capacity during the full period described by Subsection (a) may not be retained at that campus unless the campus intervention team determines that retention of the principal would be more beneficial to the student achievement and campus stability than removal.
- (b-1) A teacher of a subject assessed by an assessment instrument under Section 39.023 may be retained only if the campus intervention team determines that a pattern exists of significant academic improvement by students taught by the teacher. If an educator is not retained, the educator may be assigned to another position in the district.
- (b-2) For each year that a campus is considered to have an unacceptable performance rating, a campus intervention team shall:
 - (1) assist in updating the targeted improvement plan to identify and analyze areas of growth and areas that require improvement;
 - (2) submit the updated plan to:

- (A) the board of trustees of the school district; and
 - (B) the parents of campus students; and
- (3) assist in submitting the updated plan to the commissioner for approval.
- (c) A campus subject to Subsection (a) shall implement the updated targeted improvement plan as approved by the commissioner. The commissioner may appoint a monitor, conservator, management team, or board of managers to the district to ensure and oversee district-level support to low-performing campuses and the implementation of the updated targeted improvement plan. In making appointments under this subsection, the commissioner shall consider individuals who have demonstrated success in managing campuses with student populations similar to the campus at which the individual appointed will serve.
- (d) If the commissioner determines that the campus is not fully implementing the updated targeted improvement plan or if the students enrolled at the campus fail to demonstrate substantial improvement in the areas targeted by the updated plan, the commissioner may order:
 - (1) repurposing of the campus under this section;
 - (2) alternative management of the campus under this section; or
 - (3) closure of the campus.
- (e) If a campus is considered to have an unacceptable performance rating for three consecutive school years after the campus is reconstituted under Subsection (a), the commissioner shall order:
 - (1) repurposing of the campus under this section;
 - (2) alternative management of the campus under this section; or
 - (3) closure of the campus.
- (e-1) The commissioner may waive the requirement to enter an order under Subsection (e) for not more than one school year if the commissioner determines that, on the basis of significant improvement in student performance over the preceding two school years, the campus is likely to be assigned an acceptable performance rating for the following school year.
- (f) If the commissioner orders repurposing of a campus, the school district shall develop a comprehensive plan for repurposing the campus and submit the plan to the board of trustees for approval, using the procedures described by Section 39.106(e-1), and to the commissioner for approval. The plan must include a description of a rigorous and relevant academic program for the campus. The plan may include various instructional models. The commissioner may not approve the repurposing of a campus unless:
 - (1) all students in the assigned attendance zone of the campus in the school year immediately preceding the repurposing of the campus are provided with the opportunity to enroll in and are provided transportation on request to another campus, unless the commissioner grants an exception because there is no other campus in the district in which the students may enroll;
 - (2) the principal is not retained at the campus, unless the commissioner determines that students enrolled at the campus have demonstrated significant academic improvement; and

- (3) teachers employed at the campus in the school year immediately preceding the repurposing of the campus are not retained at the campus, unless the commissioner or the commissioner's designee grants an exception, at the request of a school district, for:
 - (A) a teacher who provides instruction in a subject other than a subject for which an assessment instrument is administered under Section 39.023(a) or (c) who demonstrates to the commissioner satisfactory performance; or
 - (B) a teacher who provides instruction in a subject for which an assessment instrument is administered under Section 39.023(a) or (c) if the district demonstrates that the students of the teacher demonstrated satisfactory performance or improved academic growth on that assessment instrument.
- (g) If an educator is not retained under Subsection (f), the educator may be assigned to another position in the district.
- (h) If the commissioner orders alternative management under this section, the commissioner shall solicit proposals from qualified nonprofit entities to assume management of a campus subject to this section or may appoint to assume management of a campus subject to this section a school district other than the district in which the campus is located that is located in the boundaries of the same regional education service center as the campus is located. The commissioner may solicit proposals from qualified for-profit entities to assume management of a campus subject to this section if a nonprofit entity has not responded to the commissioner's request for proposals. A district appointed under this section shall assume management of a campus subject to this section in the same manner provided by this section for a qualified entity or in accordance with commissioner rule.
- (i) If the commissioner determines that the basis for the unsatisfactory performance of a campus for more than two consecutive school years is limited to a specific condition that may be remedied with targeted technical assistance, the commissioner may require the district to contract for the appropriate technical assistance.
- (j) The commissioner may annually solicit proposals under this section for the management of a campus subject to this section. The commissioner shall notify a qualified entity that has been approved as a provider under this section. The district must execute a contract with an approved provider and relinquish control of the campus before January 1 of the school year.
- (k) To qualify for consideration as a managing entity under this section, the entity must submit a proposal that provides information relating to the entity's management and leadership team that will participate in management of the campus under consideration, including information relating to individuals that have:
 - (1) documented success in whole school interventions that increased the educational and performance levels of students in campuses considered to have an unacceptable performance rating;
 - (2) a proven record of effectiveness with programs assisting low-performing students;
 - (3) a proven ability to apply research-based school intervention strategies;
 - (4) a proven record of financial ability to perform under the management contract; and

- (5) any other experience or qualifications the commissioner determines necessary.
- (l) In selecting a managing entity under this section, the commissioner shall give preference to a qualified entity that:
 - (1) meets any qualifications under this section; and
 - (2) has documented success in educating students from similar demographic groups and with similar educational needs as the students who attend the campus that is to be operated by a managing entity under this section.
- (m) The school district may negotiate the term of a management contract for not more than five years with an option to renew the contract. The management contract must include a provision describing the district's responsibilities in supporting the operation of the campus. The commissioner shall approve the contract before the contract is executed and, as appropriate, may require the district, as a term of the contract, to support the campus in the same manner as the district was required to support the campus before the execution of the management contract.
- (n) A management contract under this section shall include provisions approved by the commissioner that require the managing entity to demonstrate improvement in campus performance, including negotiated performance measures. The performance measures must be consistent with the priorities of this chapter. The commissioner shall evaluate a managing entity's performance on the first and second anniversaries of the date of the management contract. If the evaluation fails to demonstrate improvement as negotiated under the contract by the first anniversary of the date of the management contract, the district may terminate the management contract, with the commissioner's consent, for nonperformance or breach of contract and select another provider from an approved list provided by the commissioner. If the evaluation fails to demonstrate significant improvement, as determined by the commissioner, by the second anniversary of the date of the management contract, the district shall terminate the management contract and select another provider from an approved list provided by the commissioner or resume operation of the campus if approved by the commissioner. If the commissioner approves the district's operation of the campus, the commissioner shall assign a technical assistance team to assist the campus.
- (o) Notwithstanding any other provision of this code, the funding for a campus operated by a managing entity must be not less than the funding of the other campuses in the district on a per student basis so that the managing entity receives at least the same funding the campus would otherwise have received.
- (p) Each campus operated by a managing entity under this section is subject to this chapter in the same manner as any other campus in the district.
- (q) The commissioner may adopt rules necessary to implement this section.
- (r) With respect to the management of a campus under this section:
 - (1) a managing entity is considered to be a governmental body for purposes of Chapters 551 and 552, Government Code; and
 - (2) any requirement in Chapter 551 or 552, Government Code, that applies to a school district or the board of trustees of a school district applies to a managing entity.

§39.108. Annual Review.

The commissioner shall review annually the performance of a district or campus subject to this subchapter to determine the appropriate actions to be implemented under this subchapter. The commissioner must review at least annually the performance of a district for which the accreditation status or rating has been lowered due to insufficient student performance and may not raise the accreditation status or rating until the district has demonstrated improved student performance. If the review reveals a lack of improvement, the commissioner shall increase the level of state intervention and sanction unless the commissioner finds good cause for maintaining the current status.

§39.109. Acquisition of Professional Services.

In addition to other interventions and sanctions authorized under this subchapter, the commissioner may order a school district or campus to acquire professional services at the expense of the district or campus to address the applicable financial, assessment, data quality, program, performance, or governance deficiency. The commissioner's order may require the district or campus to:

- (1) select or be assigned an external auditor, data quality expert, professional authorized to monitor district assessment instrument administration, or curriculum or program expert; or
- (2) provide for or participate in the appropriate training of district staff or board of trustees members in the case of a district, or campus staff, in the case of a campus.

§39.110. Costs Paid by District.

The costs of providing a monitor, conservator, management team, campus intervention team, technical assistance team, managing entity, or service provider under this subchapter shall be paid by the district. If the district fails or refuses to pay the costs in a timely manner, the commissioner may:

- (1) pay the costs using amounts withheld from any funds to which the district is otherwise entitled; or
- (2) recover the amount of the costs in the manner provided for recovery of an overallocation of state funds under Section 42.258.

§39.111. Conservator or Management Team.

- (a) The commissioner shall clearly define the powers and duties of a conservator or management team appointed to oversee the operations of the district.
- (b) At least every 90 days, the commissioner shall review the need for the conservator or management team and shall remove the conservator or management team unless the commissioner determines that continued appointment is necessary for effective governance of the district or delivery of instructional services.
- (c) A conservator or management team, if directed by the commissioner, shall prepare a plan for the implementation of action under Section 39.102(a)(9) or (10). The conservator or management team:
 - (1) may direct an action to be taken by the principal of a campus, the superintendent of the district, or the board of trustees of the district;

- (2) may approve or disapprove any action of the principal of a campus, the superintendent of the district, or the board of trustees of the district;
- (3) may not take any action concerning a district election, including ordering or canceling an election or altering the date of or the polling places for an election;
- (4) may not change the number of or method of selecting the board of trustees;
- (5) may not set a tax rate for the district; and
- (6) may not adopt a budget for the district that provides for spending a different amount, exclusive of required debt service, from that previously adopted by the board of trustees.

§39.112. Board of Managers.

- (a) A board of managers may exercise all of the powers and duties assigned to a board of trustees of a school district by law, rule, or regulation. This subchapter applies to a district governed by a board of managers in the same manner that this subchapter applies to any other district.
- (b) If the commissioner appoints a board of managers to govern a district, the powers of the board of trustees of the district are suspended for the period of the appointment and the commissioner shall appoint a district superintendent. Notwithstanding any other provision of this code, the board of managers may amend the budget of the district.
- (c) If the commissioner appoints a board of managers to govern a campus, the powers of the board of trustees of the district in relation to the campus are suspended for the period of the appointment and the commissioner shall appoint a campus principal. Notwithstanding any other provision of this code, the board of managers may submit to the commissioner for approval amendments to the budget of the district for the benefit of the campus. If the commissioner approves the amendments, the board of trustees of the district shall adopt the amendments.
- (d) A conservator or a member of a management team appointed to serve on a board of managers may continue to be compensated as determined by the commissioner.
- (e) At the direction of the commissioner but not later than the second anniversary of the date the board of managers of a district was appointed, the board of managers shall order an election of members of the district board of trustees. The election must be held on a uniform election date on which an election of district trustees may be held under Section 41.001, Election Code, that is at least 180 days after the date the election was ordered. On qualification of members for office, the board of trustees assumes all of the powers and duties assigned to a board of trustees by law, rule, or regulation.

§39.113. Campus Intervention Team.

A campus intervention team appointed under this subchapter may consist of teachers, principals, other educational professionals, and superintendents recognized for excellence in their roles and appointed by the commissioner to serve as members of a team.

§39.114. Immunity from Civil Liability.

An employee, volunteer, or contractor acting on behalf of the commissioner under this subchapter is immune from civil liability to the same extent as a professional employee of a school district under Section 22.051.

§39.115. Campus Name Change Prohibited.

In reconstituting, repurposing, or imposing any other intervention or sanction on a campus under this subchapter, the commissioner may not require that the name of the campus be changed.

§39.116. Transitional Interventions and Sanctions.

- (a) During the period of transition to the accreditation system established under H.B. No. 3, Acts of the 81st Legislature, Regular Session, 2009, to be implemented in August 2013, the commissioner may suspend assignment of accreditation statuses and performance ratings for the 2011-2012 school year.
- (b) As soon as practicable following the 2011-2012 school year, the commissioner shall report district and campus performance under the student achievement indicators under Sections 39.053(c)(1)(A) and (B).
- (c) For the 2012-2013 school year, the commissioner shall:
 - (1) report district and campus performance under the student achievement indicator under Section 39.053(c)(1)(B); and
 - (2) evaluate district and campus performance under the student achievement indicator under Section 39.053(c)(1)(A) and assign district accreditation statuses and district and campus performance ratings based on that evaluation.
- (d) Beginning with the 2013-2014 school year, the commissioner shall evaluate district and campus performance under the student achievement indicators under Sections 39.053(c)(1)(A) and (B) and assign district accreditation statuses and district and campus performance ratings based on that evaluation.
- (e) During the 2011-2012 and 2012-2013 school years, the commissioner shall continue to implement interventions and sanctions for districts and campuses identified as having unacceptable performance in the 2010-2011 school year in accordance with the performance standards applicable during the 2010-2011 school year and may increase or decrease the level of interventions and sanctions based on an evaluation of the district's or campus's performance.
- (f) For purposes of determining multiple years of unacceptable performance and required district and campus interventions and sanctions under this subchapter, the performance ratings and accreditation statuses issued in the 2010-2011 and 2012-2013 school years shall be considered consecutive.
- (g) This section expires September 1, 2014.