

#### ALEDO ISD BOARD MEETING TEMPLATE

MEETING DATE: August 18, 2025

**AGENDA ITEM:** Consider Approval of Agreement for the Purchase of Attendance Credit (Netting Chapter 48 Funding) as Related to the State of Texas' Recapture of Funds

**PRESENTER:** Earl Husfeld, Chief Financial Officer

#### **BACKGROUND INFORMATION:**

- On July 15, 2025, the District received official notification from the Texas Education Agency (TEA) of our Chapter 49, formerly Chapter 41, status for the 2025-2026 school year.
- Because of this Chapter 49 notification, the District is required to reduce its excess local revenue level for the 2025-2026 school year using one or more of the five (5) statutory options available to school districts.
- The five (5) statutory options available to school districts are the following:
  - Consolidation with another district as provided by Subchapter B,
  - Detachment of territory as provided by Subchapter C,
  - Purchase of average daily attendance credit as provided by Subchapter D (Option 3),
  - Education of nonresident students as provided by Subchapter E (Option 4), and/or,
  - Tax base consolidation with another district as provided by Subchapter F.
- The District has elected to use Option 3, Purchase of Average Daily Attendance Credit, for the 2025-2026 school year.
- The District qualifies for the provision that allows the District and TEA to "net" the District's recapture costs against state funding for the 2025-2026 school year.
- Following is the Agreement for the Purchase of Attendance Credit (Netting Chapter 48 Funding) (the Agreement) for your review and consideration.
- To avoid delays in approval of the Agreement, TEA has requested school districts to submit the Agreement electronically rather than a paper copy.
- In order to comply with TEA's request, the Board of Trustees must delegate to the Superintendent the authority to obligate the School District under Chapter 49.
  Additionally, the motion language below is required to be recorded in the board minutes. The board minutes must also be submitted electronically with the Agreement.

#### FISCAL INFORMATION:

The District's projected recapture amount for 2025-2026 is approximately \$925,000.00.

# **ATTACHMENTS:**

Agreement for the Purchase of Attendance Credit (Netting Chapter 48 Funding)



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# ADMINISTRATIVE RECOMMENDATION:

The Administration recommends, for the 2025-2026 school year, the Board of Trustees delegates contractual authority to obligate the School District under Texas Education Code (TEC) §11.1511(c)(4) to the Superintendent, solely for the purpose of obligating the District under TEC, §48.257 and TEC, Chapter 49, Subchapters A and D, and the rules adopted by the Commissioner of Education as authorized under TEC, §49.006 and the Board of Trustees approve the Agreement for the Purchase of Attendance Credit (Netting Chapter 48 Funding) as presented.