

Hitchcock Independent School District

BOARD OF TRUSTEES

Meeting Date: **August 31, 2026**

Presented by: **Dr. Darryl J. Henson, Superintendent of Schools**

Subject: **Agreement for the Purchase of Attendance Credits and to
Delegate the Contractual Authority to the Superintendent**

Action Item

BACKGROUND INFORMATION:

This official Texas Education Agency agreement allows Hitchcock ISD to comply with Texas Education Code Chapter 49 excess local revenue provisions. By entering into this contract, the district purchases attendance credits from the state to lower its local Maintenance and Operations (M&O) tax revenue to the statutory limit required under TEC §48.257. Under TEC §48.257(c), the preliminary cost of these credits is calculated from estimated tax revenues and will be offset directly against eligible Chapter 48 state aid owed to the district, preventing the need for an out-of-pocket payment as long as state aid is sufficient.

The final cost of attendance credits will be calculated once year-end tax data is fully processed. Per TEC §49.157, the district's cost will be reduced by its proportional share of County Appraisal District expenses, with any unused CAD credit balance carrying forward into future school years. If near-final data at the end of the school year reveals that eligible state aid is insufficient to cover the final recapture obligation, Hitchcock ISD will be required to hold a local election, and any remaining balance will be recovered through future state fund allocations or direct refunds. Formal board authorization requires the signatures and dates of approval from the Board President, Board Secretary, Superintendent, and the Commissioner of Education.

BOARD ACTION REQUIRED:

For the 2026–2027 school year, we delegated 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. This included approval of the Agreement for the Purchase of Attendance Credit or the Agreement for the Purchase of Attendance Credit (Netting Chapter 48 Funding)

POLICY AUTHORIZATION:

N/A

CONTACT PERSON:

Robin Hataway, Chief Financial Officer

FUNDING SOURCE:

N/A

ENCLOSURES:

TEA - Local Revenue Level in Excess of Entitlement for School Year 2026-2027
Agreement for the Purchase of Attendance Credits Netting Chapter 48 Funding