

College Station Independent School District



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MEMORANDUM

To: Dr. Clark Ealy, Superintendent

From: Mike Martindale, Deputy Superintendent

Date: June 13, 2018

Subject: Wealth Equalization Plan for the 2018-2019 Fiscal Year

Agenda Item: J – 5.

Board Priority/
District Goal: Priority 3/Goal 5

BACKGROUND

College Station ISD will be subject to the wealth equalization provisions of Chapter 41 of the Texas Education Code (TEC) for the 2018-2019 fiscal year. Current law requires that the District's wealth equalization plan must be approved by the Commissioner of Education before the tax rate can be set. According to the current state finance calculations, CSISD is proposing to purchase attendance credits from the state, which is identified as Option 3 in the attached correspondence. The proposal to purchase attendance credits from the state for the 2018-2019 school year will satisfy the requirement for a wealth equalization plan. The cash payments required under Chapter 41 of the Texas Education Code would be paid to the State of Texas.

During the school years of 2003 through 2018, College Station ISD paid the state and other school districts approximately \$54,652,417 from local tax revenue, under the requirements of Chapter 41 of the Texas Education Code. For the 2018-19, current projections indicate that College Station ISD will once again be subject to recapture payments of approximately \$14,000,000.

This agenda item approves the purchase of attendance credits as a part of Chapter 41 requirements and allows for the board of trustees to delegate contractual authority to obligate the school district under Texas Education Code (TEC) §11.1511(c)(4) to the superintendent,

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Mike Martindale
Deputy Superintendent -
Chief Financial Officer

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CLARK C. EALY, Ph.D.
Superintendent of Schools

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solely for the purpose of obligating the district under TEC, Chapter 41, Subchapters A and D, and the rules adopted by the commissioner of education as authorized under TEC, 41.006.

RECOMMENDATION

It is recommended that the Board of Trustees of College Station Independent School District approve of the CSISD wealth equalization plan for the Purchase of Attendance Credits from the State for the 2018-2019 school year and delegate 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, Chapter 41, Subchapters A and D, and the rules adopted by the commissioner of education as authorized under TEC, 41.006.

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