465 S. King Street, Room 500 Honolulu, Hawaii 96813-2917



MARION M. HIGA State Auditor

(808) 587-0800 FAX: (808) 587-0830

DEPT. COMM. NO. U

February 1, 2002

The Honorable Robert Bunda President of the Senate State Capitol, Room 003 Honolulu, Hawaii 96813

Dear Mr. President:

I transmit to you a copy of our report, New Century Charter School Allocations Project - FY2001-02.

We determined that the allocation of general funds to new century charter schools for FY2001-02 should be based on a rate of \$2,997 per pupil. The per pupil allocation rate is in accordance with Section 302A-1185, HRS, as amended by Act 209, SLH 2001 that requires a per pupil allocation to not exceed the average per pupil departmental expenditures for similar cost items in the previous fiscal year.

We hope that the report will assist you in reviewing the issues examined. The report will be available at our website, www.state.hi.us/auditor, and released to the public and press on Monday, February 4, 2002.

Sincerely,

Marion M. Higa State Auditor

Enclosure

c:/Paul Kawaguchi, Senate Clerk