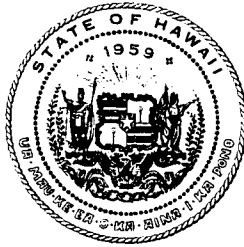


STATE OF HAWAII
OFFICE OF THE AUDITOR
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MARION M. HIGA
State Auditor
(808) 587-0800
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DEPT. COMM. NO. 22

January 22, 2003

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 – FY2002-03*.

We determined that the allocation of general funds to new century charter schools and new century conversion charter schools for FY2002-03 should be based on a rate of \$3,085 per pupil. The per pupil allocation rate was computed in accordance with Section 302A-1185, HRS, as amended by Acts 2 and 262, SLH 2002.

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 Thursday, January 23, 2003.

Sincerely,

Marion M. Higa
State Auditor

Enclosure

c: ✓ Paul Kawaguchi, Senate Clerk