

district but then in return, as they got their state aid paid back to them, they would get \$327 back, their foundation formula would come back. That is simply a transfer mechanism of the \$327. We didn't involve the state in this because then it gets more complicated as far as bookkeeping goes, so this way each...the district would just, District A would simply send to District B an amount of money. The state would not be involved in this transfer whatsoever. That's the funding mechanism that we have here. I think it is a very fair funding mechanism because what we have here is we would be stopping recruiting I think with this amendment for one thing, because we would not be giving a windfall to the option district that a student is going to because right now the way the bill is written they would get their full per pupil cost out of this state fund. If you have a per pupil cost of say \$7,000 per student, and you're going to get \$7,000 for simply filling an empty slot, you're going to get a windfall because it is not going to cost you \$7,000 to educate that one student to fill the empty slot and that is all we're asking schools to do is we're saying, school boards are going to have to decide how many slots they have available for option students and then they would receive a specific amount of money for those students as they come in and this sets up a mechanism that is very...the department sends out the numbers, they will send them out by the 15th of July every year, that is also in the amendment. They will send out the needs factor and the foundation factor by the 15th of July, that is before schools do their budgeting. They will know exactly how many dollars they are going to get. A school district that is losing students will know exactly how many dollars they are going to lose. The resident district that is losing students will not have nearly the impact that they do under the old formula. They would have to pay their per pupil cost out. And if you had a \$7,000 per pupil cost you would have to pay \$7,000 into the fund. You're not going to have a \$7,000 loss in your budget. You're still going to have to...you're not going to lose that much money from your budget by just losing one student. This way they'd only have to transfer a lot less money, it would not impact them quite as hard. They would also be able to make the adjustments then and be able to change their program to deal with the problems that students have with their district and make it so that they can make their district better and possibly keep the rest of the students in that district. So that's the change in the funding formula. I'll be glad to try and answer any questions that you have. Thank you.