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BY HAND

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Re: Campaign for Fiscal Equity v. The State of New York, Index No. 111070/93

Dear Sirs:

Enclosed please find a copy of the Findings Of Fact, Conclusions Of Law, And Memorandum Of Law Of The City Of New York. Attached as Exhibits to the document are (1) a proposed Order, (2) the Affidavit of Mark Page, dated October 28, 2004, submitted in part in response to the State's introduction of the Testimony by Michael Murphy, (3) the City's statement on accountability, solicited by the Panel, and (4) Regulation A-655 of the Chancellor, which describes some of the school based planning that regularly occurs in the city's schools.

The City appreciates the input that the Panel has afforded the City, and looks forward to Oral Argument on Monday morning, November 1, 2004.

Respectfully submitted,

Alan H. Kleinman

c: Bruce McHale
Joseph Weyland
Michael A. Rebell
Kenneth Taber