

**BEFORE THE STATEWIDE VIRTUAL CHARTER SCHOOL BOARD
STATE OF OKLAHOMA**

In re:)
)
TERMINATION OF CHARTER CONTRACT WITH)
COMMUNITY STRATEGIES, INC., GOVERNING)
BOARD FOR EPIC ONE-ON-ONE CHARTER SCHOOL)

**DEFENDANT’S MOTION FOR
SUMMARY JUDGMENT WITH BRIEF IN SUPPORT**

COMES NOW, Defendant, Community Strategies, Inc. also known as Epic One-on-One, (“Defendant” or “Epic” or “School”) and requests the Statewide Virtual Charter School Board (“SVCSB”) to dismiss the Notice because of the conflict of former SVCSB Chair John Harrington (“Harrington”) and for summary judgment on certain allegations in Notice of Intent to Terminate Charter Contract (the “Notice”) (the “Motion”). In support hereof, Epic states:

STANDARD OF REVIEW

The purpose of summary judgment is to expeditiously determine cases without the necessity of a trial when there is no dispute of fact or a matter of law. *See Flanders v. Crane Co.*, 1984 OK 88, 693 P.2d 602. Summary judgment is proper if the pleadings, affidavits, depositions, and other evidence “show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as ‘a matter of law.’” *See Oklahoma District Court Rule 13*, 12 Okla. Stat. Ann. Ch. 2, App.1; *see also Jenks v. Hill*, 504 F. Supp. 1130, 1131 (W.D. Okla. 1981). A party opposing summary judgment must demonstrate clearly, and with specificity, that controverted facts exist, or the motion should be denied as a matter of law. *See Howe v. Ballard*, 801 P.2d 127, 130 (Okla. 1990); *see also Weeks v. Wedgewood Village*, 554 P.2d 780, 784 (Okla. 1976). In the instant case, the Court should grant summary judgment as a matter of law.

ARGUMENT AND AUTHORITIES

I. BECAUSE HARRINGTON SHOULD NOT HAVE BEEN ALLOWED TO VOTE ON WHETHER TO SERVE NOTICE OF TERMINATION, THE SVCSB SHOULD DISMISS THE NOTICE.

On October 13, 2020, the SVCSB voted to serve the Notice on Epic and thereby initiate proceedings to terminate the Charter Contract between the SVCSB and Community Strategies, Inc. the governing body (the “Board”) for Epic One-on-One Charter School (the “Charter Contract” or “Contract”). The SVCSB’s vote to serve the Notice was 3 to 1. Harrington was one of the three affirmative votes. For any action of the SVCSB to be approved, an action must receive three affirmative votes. In other words, but for Harrington’s affirmative vote to approve the service and issuance of the Notice on Epic, the agenda item to issue the Notice would have failed. Therefore, the question is: Did Harrington have a conflict of interest, such that he should have been precluded from voting on the Notice?

On March 4, 2020, Harrington was interviewed by representatives of the State Auditor and Inspector (“SAI”) concerning the audit of Epic (the “Audit”). In his interview, Harrington admitted that “he prayed that SA&I would discover a violation of law, or something that would prove a violation or breach of contract by Epic so that the SVCSB could step in and place Epic in a type of receivership and remove EYS [Epic Youth Services] as the management company.” *See* Harrington Interview Notes, attached hereto as Exhibit “A.” Harrington also admits that with regard to Epic “No laws were broken so the Board took no action.” *Id.* And, Harrington’s bias towards Epic is further shown by his statement that “He believes that Epic is skirting the edge of legality and that it would be best if they hired a new management company or possibly have SDE (or another entity) assume the responsibility of managing Epic.” *Id.* These statements

clearly reflect his bias against Epic months before the public release on October 1, 2020 of the Audit. Based on the SVCSB's own standard used to force the recusal of board members Hamrick and Shephard, the SVCSB should dismiss the allegations against Epic as Harrington was clearly conflicted and should have been recused from the vote on the Notice. However, Harrington's conflict is not just based on his bias, but on his personal financial gain from the closure of Epic that would benefit his personal business, Funds For Learning, and customers of Funds For Learning.

As early as February 2019 through March 2020, Harrington's company, Funds For Learning, was awarded multiple contracts with Dove Charter Schools ("Dove"). *See* Contract Agreements between Dove and Funds For Learning (the "Dove Contracts"), attached hereto as Exhibit "B." The Dove Contracts clearly show a financial benefit to Harrington, who served on the SVCSB during the time his company obtained these contracts. On November 12, 2019, the SVCSB, to include Harrington, voted to approve Dove Schools Oklahoma Information and Technology School Application ("Dove OITS School") for Initial Authorization by the SVCSB ("Dove / SVCSB Approval"). *See* Agenda and Minutes of the SVCSB November 12, 2019 Board Meeting, attached hereto as Exhibit "C." Harrington participated in the discussion, debate, and vote concerning the Dove / SVCSB Approval. Harrington did not make any disclosure to the SVCSB of his conflict or his financial interest in the Dove Contracts.

The governing board of the Dove OITS School, which is powered by Dove, is the same as the governing board for the Dove school in Oklahoma City that contracted with Harrington. *See* Printouts from the Dove Charter School website, attached hereto as Exhibit "D." Further, the contact address for the Dove OITS School sponsored by the SVCSB and the Dove charter school

in Oklahoma City is the same, which is 9212 N. Kelly Ave., Suite 100. *See* Printouts from the Dove Charter School website, attached hereto as Exhibit “E.”

The conflict-of-interest rules are intended to ensure that state officers and employees do not misuse their state office. When applying these rules to Harrington’s situation, a review of Rules 4.4 and 4.7 clearly shows that Harrington is conflicted and should not have voted on the Notice. Rule 4.4 of the Ethics Commission generally prohibits a state officer from using their position for private gain. *See* Rule 4.4, attached hereto as Exhibit “F.” Harrington’s approval of the Dove OITS School while under contract with Dove for his personal gain; and, subsequently, voting to issue the Notice to terminate Epic’s Charter Contract, which would likely increase the enrollment at the virtual charter school, Dove OITS School, reveals a clear financial, private gain conflict of interest by Harrington.

Further, Rule 4.7 of the Ethics Commission generally provides that a state officer or employee shall not participate in any matter in which: (1) involves specific parties likely to have a direct and predictable effect on the material financial interests of the officer / employee; (2) the officer / employer knows that a person with whom he has a business relationship is a party to or represents a party to such a matter; or (3) the officer / employee determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to question his or her impartiality in the matter. *See* Rule 4.7, attached hereto as Exhibit “G.” Because the governing board of the Dove OICS School and the Dove charter school in Oklahoma City is the same, Harrington’s company has contracted with the same governing board; and one of these schools, Dove OICS, is authorized by the SVCSB. To protect his contract interest with Dove and based on the bias he expressed in March 2020 to the SAI, Harrington should not have participated in the discussion, debate, and vote on the Notice to terminate Epic’s Contract. The

closure of Epic would certainly benefit Harrington's contracted client, Dove OITS School, as a newly authorized statewide virtual charter school, as well as Dove's brick and mortar school, as approximately 30,000 students would have to find other educational opportunities.

The SVCSB should apply the same conflict of interest and recusal standard that it used against Hamrick and Shephard in determining whether Harrington should have participated in the vote to approve the Notice to terminate Epic. At the SVCSB's board meeting on December 8, 2020, the SVCSB voted to force the recusal of board members Hamrick and Shephard on matters involving Epic, including the Notice to terminate proceedings. Legal Counsel for Hamrick and Shephard submitted a memorandum to the legal counsel for the SVCSB describing how his clients were not in violation of the law or any ethics rules. *See* Memo from John Paul Jordan to Marie Schuble, 12/3/20, attached as Exhibit "H." However, even though there was no legal violation by board members Hamrick and Shephard, the SVCSB still voted to force their recusal based on a board determined conflict of interest standard.

Utilizing the conflict of interest and impartiality standard adopted by the SVCSB regarding Hamrick and Shephard, the SVCSB should also dismiss the Notice of termination served on Epic because Harrington should not have been allowed to vote due to his conflict of interest and lack of impartiality regarding Epic for the reasons set forth herein. The failure of the SVCSB to even-handedly and fairly make decisions effecting Epic, including these procedural matters, will prejudice the rights of the School and give rise to sustainable grounds for any decision of the SVCSB to be reversed. Harrington misused his office for his private gain, he was not impartial regarding Epic, and he clearly had a pre-determined bias (and desired outcome) regarding the forced receivership of Epic. Therefore, the SVCSB must dismiss and rescind the Notice served on Epic; and, if so determined, authorize a new notice at a future SVCSB meeting.

II. BECAUSE THE SVCSB WAS PRESENTED THE COMMUNITY STRATEGIES AND COMMUNITY STRATEGIES-CA AGREEMENT, THE SVCSB SHOULD NOT BE ALLOWED TO NOW USE IT AS GROUNDS FOR TERMINATION.

Paragraphs 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24 of the Notice involve the Intercompany Agreement between Community Strategies, Inc., and Community Strategies-CA. By virtue of this Intercompany Agreement, Community Strategies employees were able to provide administrative support services for a fee to Community Strategies-CA. Community Strategies-CA had agreements with other entities, such as Panola, Pawhuska, and a charter school in California. Community Strategies (i.e., Epic or the School) did not have an agreement directly with any of these other entities.

On August 9, 2016, legal counsel for the SVCSB, Marie Schuble, presented this Intercompany Agreement to the SVCSB. Ms. Schuble explained and answered board questions regarding the Intercompany Agreement between Community Strategies and Community Strategy-CA.” *See* SVCSB Minutes of the August 9, 2016 meeting, attached as Exhibit “I.” Why did Ms. Schuble make this presentation? Because Epic had disclosed the Intercompany Agreement and its intention to share services for a fee. Knowing this information about the Intercompany Agreement between Community Strategies and Community Strategy-CA, the SVCSB approved Epic’s reauthorization and awarded Epic with the six-year Charter Contract. *See* SVCSB Minutes of September 12, 2017 meeting, attached as Exhibit “J.” It is incredulous that the SVCSB would seek to use the Intercompany Agreement with Community Strategies-CA as grounds for termination when it was disclosed, presented, accepted, and not heretofore objected to by the SVCSB. Therefore, the SVCSB should dismiss the allegations in Paragraphs 15 - 24 in the Notice as they arise from this Intercompany Agreement.

III. BECAUSE ALLEGATIONS RELYING ON CHARTER CONTRACT TERM 7.9 FOR TERMINATION ARE NOT BASED ON THE USE OF PUBLIC FUNDS, THE SVCSB SHOULD DISMISS PARAGRAPHS 10 – 24 OF THE NOTICE.

In addition to the reasons set forth above, the SVCSB should dismiss the specifically identified paragraphs at this time because the allegations contained therein, even if true, do not establish a violation of the terms of the Charter Contract relied upon for termination. As such, the legal standard for the SVCSB should apply is: if there is no dispute as to the facts (i.e., assume the allegations in these paragraphs are accurate), can the SVCSB dismiss these allegations if there would be no violation of the Charter Contract? Paragraph 9 of the Notice cites Charter Contract Term 7.9, which provides that the “Charter School agrees that any federal, state, or local public funds disbursed to the Charter School shall be used solely and exclusively for the benefit of the Charter School.” *See* Notice, p. 4. Paragraphs 10 – 24 of the Notice are purported to be factual allegations that evidence violations by Epic of Charter Contract Term 7.9. A review of each of these paragraphs reveals that there is not a single allegation that Epic used public funds for a purpose other than to benefit Epic. In fact, a review of Paragraphs 10 – 24 reveals that Epic was being paid by other entities – in other words, public funds were being paid to Epic, versus Epic spending public funds to support another entity. The reference to Epic providing services to other districts is not prohibited by Charter Contract Term 7.9. In fact, the plain language of the Charter Contract does not address services. Rather, the Charter Contract addresses the use of public funds. Therefore, as a simple matter of law, even if the allegations in Paragraphs 10 – 24 were factually proven, it could not be a violation of Charter Contract Term 7.9 because the term “funds” does not include in any of the allegations in these paragraphs. Thus, because there can be no finding of a breach of contract by Epic based on these paragraphs

in the Notice, the SVCSB should dismiss these paragraphs to streamline the hearing issues to only those that contain facts that could prove a violation of the Charter Contract.

Furthermore, Charter Contract Term 7.9 also does not prohibit Epic One on One and Epic Blended from having an agreement to share services and expenses to reduce the costs to operate each school district, which allows for a higher percentage of the public funds to be directed to student instruction. The School's compliance has been audited and reviewed by a state-paid independent auditor ("CBEW"), whose findings were forwarded to and reviewed by the Oklahoma State Department of Education ("SDE") and SAI. More specifically, Epic is a "Public School" as defined under 70 O.S. § 22-102. As such, Epic keeps all accounting records according to the accounting systems and procedures prescribed by the SDE and in compliance with 70 O.S. § 22-113. These systems and standards require, among other things, that all federal, state, or local public funds disbursed to Epic be used solely and exclusively for benefit of the School, as noted in Contract Term 7.9.

To ensure that Epic keeps its records and prepares its financial statements according to such requirements, Epic's Board has caused an annual audit to be conducted of the School for each year of the Contract, pursuant to the requirements of 70 O.S. § 22-103. The auditor used by Epic was an auditor whose credentials were reviewed and approved by the SAI. The SAI was required to apply standards to choose the auditor to ensure the auditor met the experience, peer review, professional education, and ethical standards to legally conduct the audit. 70 O.S. § 22-104. The independent audit of Epic's financial statements was paid for by the State of Oklahoma, from funds provided to the School for such purposes. 70 O.S. § 22-105. Each year, Epic's financial relationships and structure were fully disclosed. Epic's financial statements were audited pursuant to the standards for public accountability as required by the American Institute

of Certified Public Accountants and the most recent Government Auditing Standards issued by the United States Government Accountability Office. 70 O.S. § 22-104. These are the standards created by the Oklahoma legislature to regulate school finance. The audits include a report on the Government Auditing Standards of Epic's internal control over financial reporting and compliance with provisions of laws, regulations, contracts, grant agreements and other matters, and the United States Office of Management and Budget Circular A-133, as required. *Id.* Within thirty (30) days of the completion of the audits, Epic forwarded copies of the SDE-required, fully audited financial reports to the SAI and the SDE, pursuant to applicable law. 70 O.S. § 22-108. The SDE had an opportunity to comment and request additional information. 70 O.S. § 22-108. SAI and SDE, as well as the SVCSB pursuant to its Contract, had opportunity to question if any federal, state, or local funds were NOT used exclusively for the benefit of Epic, or whether Epic indeed kept separate and distinct accounting, auditing, budgeting, reporting, and record-keeping systems as Epic reported and as the independent state paid for auditor verified. In fact, under Oklahoma law, the SAI was required to examine the auditor's opinions and financial statements to determine whether the auditor's opinions and related financial statements comply with the provisions of the Oklahoma Public School Audit Law. 70 O.S. § 22-109.

Despite the intensity of this review, neither the SAI nor the SDE identified any deficiencies in either the financial statements or the state-sponsored independent audits of said financial statements. Epic had no indication that either the SAI or the SDE would disapprove of its financial relationships. Epic maintains separate bank accounts and accounting records for One-on-One and Blended as required by the above-described applicable laws, and its records and financial statements have been audited according to the standards required by Oklahoma law, with independent auditors approved by the SAI, and with such audits being forwarded to the

SVCSB, the SDE and the SAI. The SVCSB, the SDE and the SAI each have a responsibility to use the state-sponsored audits to monitor the finances of the school, and none of which voiced any complaints, concerns or notices of deficiencies as required by applicable law.

Epic further asserts that in paragraphs 10 – 24 of the Notice, the SVCSB seems to conflate the requirements for maintaining separate finances, accounting records, and district funds to a requirement, not intended by Oklahoma law, of not having any financial relationships with any other entity. Nothing in the Contract Term 7.9 prohibits a financial relationship between One-on-One and Epic Blended (or with Community Strategy-CA). In fact, Epic provides legally contracted services to other entities. These outside entities are invoiced and pay Epic for these services. These other entities are billed based on an agreed upon cost allocation methodology; and Epic collects such payments for its services. SVCSB's allegations involve issues regarding contract interpretation of a private agreement between two parties, and the SVCSB is not a party to such private agreement. The separate financial statements between One-on-One and Epic Blended verify that legal separation was maintained, pursuant to applicable Oklahoma law. Nothing in the Contract Term 7.9 prohibits Epic from entering into private agreements with other entities to provide services and / or to allocate costs.

Epic does not understand the basis of the SVCSB's assertion that Contract Term 7.9 has been violated, when the very nature of the relationship and status of Epic as a separate school district and financial entity has been audited and approved by all state agencies with any oversight responsibility in the process, including the SVCSB. In fact, it is without dispute that public funds disbursed to Epic have been used solely and exclusively for the School, and the SVCSB need only look to the audited financial statements of the School. The auditor's opinion notes that:

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets liabilities and fund balance arising from regulatory basis transactions of each fund type and account group of Epic One-On-One Charter Schools, Oklahoma City, Oklahoma, as of June 30, 2018, and the revenues collected, and expenditures paid and encumbered for the year then ended on the regulatory basis of accounting described in Note 1.

Generally, paragraphs 10 - 24 articulate financial transactions between the Epic One-on-One and Epic Blended or other entities, and question whether costs were properly calculated, or collected. But nothing in these paragraphs assert that the School failed to maintain separate bank accounts, accounting records, and systems; or that it failed to use all funds allocated to it for the School's purposes. Epic maintained separation of public funds as required by Contract Term 7.9 and the law, and this separation has been audited and fully disclosed in independent financial audits.

Furthermore, the SAI's Audit, which is the basis for this termination proceeding, never impeaches or criticizes the annual independent financial audits completed each year of the Contact term. The SAI does not address these independent audits because impeaching the independent audits or criticizing them would, in effect, be admitting fault by the SAI due to the statutory duty of the SAI to point out any deficiencies in these audits, which has never occurred. This same obligation is incumbent upon the SDE and the SVCSB in providing financial oversight of the School, but both entities tacitly approved the annual, independent audits because they were and are unable to show that these audits were done incorrectly or contain any errors.

Additionally, Epic One-on-One, and Epic Blended are tradenames and are not legal entities. Rather, Community Strategies, Inc., is the legal entity with the EIN required by the Internal Revenue Service ("IRS") for the processing of payroll. In fact, Oklahoma law provides that "An applicant or the governing board of an applicant may hold one or more charter contracts." *See* 70 O.S. § 3-135(E). As provided for by the law, Community Strategies, Inc. is the governing board of education for both Epic One-on-One and Epic Blended. Because a single

legal entity may hold multiple charters and only a legal entity may have the required tax identification number with the IRS to process payroll, the legislative intent authorizes the payroll processing practices of Epic. In further response, Paragraph 13 does not reference Epic's public funds being used for any purpose other than for the School.

Furthermore, Paragraphs 14 – 24 of the Notice do not contain the word “funds” which is the fundamental basis for the allegation that the School has breached Contract Term 7.9; and these transactions are based on the Intercompany Agreement between Community Strategies and Community Strategy-CA discussed in Proposition II. Furthermore, the Charter Contract does not contain a provision governing the payment terms or the allocation of costs between the parties to a separate agreement. The allegations raised in Paragraph 14 - 24 are matters between the School and the entity for which it has contracted to provide services. The SVCSB does not have privity of contract or standing to allege a breach of contract between the School and the entity that it has contracted with to provide services. Contract Term 7.9 addresses the School's use of public funds, which is not addressed in Paragraphs 14 - 24 of the Notice. The SVCSB is not alleging that the School paid money to another entity or that the School sent any of its public funds to another entity, because Epic did not pay any of its public funds to another entity or send any of the School's public funds to another entity. And, again, Paragraph 14- 24 does not allege that Epic improperly used any of the public funds disbursed to it, which is the fundamental burden on the SVCSB to allege a breach of Contract Term 7.9. Therefore, the allegations in Paragraph 14 - 24 are irrelevant to Contract Term 7.9 and do not support termination of the Contract.

In summary, the allegations in Paragraphs 10 – 24 do not support termination of the Charter Contract as a matter of law. Therefore, Epic respectfully requests that the SVCSB grant judgement as a matter of law in favor of the School and dismiss these allegations.

IV. BECAUSE THE LEARNING FUND IS A PRIVATE BANK ACCOUNT AND PRIVATE FUNDS AND IS THE SUBJECT OF PENDING LITIGATION, THE SVCSB SHOULD DISMISS PARAGRAPHS 28 – 30 THAT ARISE FROM THE LEARNING FUND.

Paragraphs 25, 28, and 42 specifically arise from the Learning Fund. The SVCSB investigated the Learning Fund and did not find any concerns. In fact, in the Spring 2018, the SVCSB requested “additional information regarding the Epic Learning Fund internal management procedures and audit findings was requested by the SVCSB and received from the school and SBEW. No concerns regarding the Learning Fund management was noted.” *See* SVCSB Annual Report of Epic, attached as Exhibit “K.” In fact, the SAI considers the Learning Fund as “private” based on its presentation regarding the Epic audit. *See* SAI slides, attached as Exhibit “L.” Finally, the Learning Fund is the subject of pending litigation in the case styled, State of Oklahoma, ex. rel. Office of State Auditor and Inspector v. Epic Youth Services, LLC, CV-2020-554, Oklahoma County, OK. *See* Docket, attached as Exhibit “M.” On September 10, 2020, the SVCSB filed an amicus brief in support of the SAI’s position that the Learning Fund records are to be disclosed. It would be highly prejudicial to rely upon allegations arising from the Learning Fund while litigation is pending. In fact, because the SVCSB has taken a position in the litigation that the Learning Fund is public, which has not been determined by the trial court, would unfairly prejudice Epic; and would reveal that the SVCSB is not able to impartially and without bias consider whether to terminate Epic’s Charter Contract. If the SVCSB insists on pursuing termination of the Charter Contract based on allegations arising from the Learning Fund, then it will be evident that Epic’s efforts to seek relief in this administrative forum is futile and a change of venue is necessary.

V. BECAUSE ALLEGATIONS RELYING ON CHARTER CONTRACT TERM 7.10 FOR TERMINATION ARE NOT BASED ON COMMINGLING PUBLIC FUNDS OR FAILING TO MAINTAIN SEPARATE AND DISTINCT ACCOUNTING, THE SVCSB SHOULD DISMISS PARAGRAPHS 28 – 30.

The Notice also alleges that Epic commingled state funds and failed to maintain separate and distinct systems of the operation for the School pursuant to Charter Contract Term 7.10. However, the Notice fails to set forth facts to support a legal claim against Epic for violating Charter Contract Term 7.10. As such, paragraphs 28 – 30 should be dismissed.

Charter Contract Term 7.10 says that “[t]he Charter School shall not commingle state funds” and thereby specifically restricts its scope to the actions of Epic One-on-One and the stewardship of the School’s state funds. The allegations in Paragraph 28 do not involve either the actions of the School or state funds. The transactions noted involve deposits into a private checking account held by Epic Youth Services (“EYS”), a private company, and the funds referenced are private funds once paid to EYS. This has been repeatedly disclosed in the School’s annual audited financial statements and has been tacitly approved by the SAI by their lack of a statement of deficiency. Further, the same audits that clearly identified these funds as private were accepted by both the SDE and the SVCSB. Therefore, Epic did not commingle state funds in violation of Contract Term 7.10.

Epic also denies the allegations in Paragraph 29 and 30 of the Notice. As the SVCSB is fully aware, Epic One-on-One, and Epic Blended have contracts with a shared private management organization, EYS. The private management organization has specific contractual authority to engage in the transactions described in Paragraph 29 and 30; and all the transactions described were ultimately approved by the respective Boards. Furthermore, the SVCSB does not

have authority or jurisdiction over Epic Blended. As admitted by the SVCSB in Paragraph 29, the School's transfers to Epic Blended were simply returning funds paid to it by Epic Blended.

It is without dispute that the School has not comingled state funds within the meaning of the Charter Contract; and has maintained separate and distinct accounting, auditing, budgeting, reporting, and record-keeping systems for the management and operation of the School as required by Contract Term 7.10. Not only is Epic in complete compliance with such contract terms, but this compliance has been audited and reviewed by a state paid, independent auditor ("CBEW"), whose results were forwarded and reviewed by the SDE and SAI. Epic is a "Public School" as defined under 70 O.S. Sec. 22-102. Epic keeps all accounting records according to the accounting systems and procedures prescribed by the SDE and in compliance with 70 O.S. Sec. 22-113. These systems and standards require that the maintenance of separate and distinct accounting, auditing, budgeting, reporting, and record-keeping systems for the management and operation of the School be kept and maintained, as provided for in Contract Term 7.10.

Epic keeps its records pursuant to such requirements and prepares financial statements according to such requirements. Epic's Board caused an annual audit to be made of the School for each year of the Charter Contract, pursuant to the requirements of 70 O.S. Sec.22-103. Epic's financial statements were audited pursuant to the standards for public accountability as required by the American Institute of Certified Public Accountants and the most recent Government Auditing Standards issued by the United States Government Accountability Office. 70 O.S. Sec. 22-104. These are the standards created by the Oklahoma legislature to regulate school finance. The audit included a report on the Government Auditing Standards of Epic's internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters, and the United States Office of Management and Budget

Circular A-133, as required. *Id.* The auditor used by Epic was an auditor whose credentials were required to be reviewed and approved by the SAI. SAI was required to apply standards to choose the auditor to ensure the auditor met the experience, peer review, professional education, and ethical standards to legally conduct the audit. 70 O.S. Sec. 22-104. The independent audit of Epic's financial statements was paid for by the State of Oklahoma, from funds provided to the School for such purposes. 70 O.S. Sec. 22-105. Epic forwarded copies of SDE required audited financial reports within thirty (30) days to SAI and SDE, pursuant to applicable law. 70 O.S. Sec. 22-108. SDE had an opportunity to comment and request additional information. 70 O.S. Sec. 22-108. SAI and SDE, as well as the SVCSB pursuant to its Charter Contract, had opportunity to question if any federal, state, or local funds were NOT used exclusively for the benefit of Epic, or whether Epic indeed kept separate and distinct accounting, auditing, budgeting, reporting, and record-keeping systems as Epic reported and as the independent, state paid auditor verified. In fact, under Oklahoma law, the SAI was required to examine the auditor's opinions and financial statements to determine whether the auditor's opinions and related financial statements comply with the provisions of the Oklahoma Public School Audit Law. 70 O.S. 22-109.

During the period of the Contract, neither the SAI nor the SDE identified any deficiencies in either the financial statements or state paid, independent audits. Epic maintains separate bank accounts and accounting records for One-on-One and Blended as required by above-described applicable laws. Said records and financial statements have been audited according to standards required by Oklahoma law, with independent auditors approved by SAI, with such audits being forwarded to the SVCSB, the SDE and the SAI. These three entities have the responsibility for using the state paid audits to monitor the finances of the School, none of which have voiced any complaints, concerns, or required notices of deficiencies as required by applicable law.

The SVCSB's allegations involve issues regarding contract interpretation between two related parties; and not whether legal separation was maintained. The separate financial statements verify that legal separation was maintained, pursuant to applicable Oklahoma state law. Nothing in the Charter Contract language quoted or elsewhere prohibits engagement with other entities by agreement. The Contract language quoted requires that School finances be kept separate through separate bank accounts, financial statements, and accounting records, which are required to be maintained pursuant to state-approved, regulated accounting practices, and audited by independent auditors paid for by the state and approved by the SAI. One need look no further than at the audited financial statements of the School to see that it is without dispute this has occurred. The auditor's opinion notes that:

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets liabilities and fund balance arising from regulatory basis transactions of each fund type and account group of Epic One-On-One Charter Schools, Oklahoma City, Oklahoma, as of June 30, 2018, and the revenues collected, and expenditures paid and encumbered for the year then ended on the regulatory basis of accounting described in Note 1.

Epic does not understand the basis of assertion that the Contract provisions have been violated, when the very nature of the relationship and status of Epic as a separate school district and financial entity has been audited and approved by all the state agencies with any oversight responsibility in the process, including the SVCSB. Generally, the SVCSB articulates financial transactions between the Epic and Epic Blended, but nothing in the paragraphs even asserts that the School failed to maintain separate bank accounts, accounting records, and systems; or that it failed to use all allocated funds to it for the School's purposes. Epic maintained the very separation that is required by law, and this separation has been audited and fully disclosed pursuant to state law.

Further, the SAI never impeaches the annual independent financial audit(s) that have been completed for eight consecutive years (8 for One-on-One and 2 for Blended over the last nine years). The SAI never criticizes the audits or says they were flawed. The SAI does not address these independent audits, because impeaching the independent audits or criticizing them would, in effect, be admitting fault by the SAI due to the statutory duty of the SAI to point out any deficiencies in these audits, which has yet to occur to date. This same obligation is incumbent upon the SDE and the SVCSB, but both entities tacitly approved the annual, independent audits because they were and are unable to show they were done incorrectly.

In sum, the Notice fails to allege a legal or factual basis for commingling or failure to maintain separate and distinct accounting records. Therefore, Epic respectfully requests that Paragraphs 28 – 30 be dismissed.

VI. BECAUSE THE ALLEGATIONS RELYING ON TRANSFERS FROM THE LEARNING FUND DO NOT INVOLVE PUBLIC FUNDS AND THE TRANSFERS PRE-DATE THE CHARTER CONTRACT, THE SVCSB SHOULD DISMISS PARAGRAPH 42.

In addition to the reasons set forth in Proposition IV, the transfers in question in Paragraph 42 do not involve any bank accounts or monies under the control of Epic. The transfers are from a private checking account held by a private company, EYS, and the funds referenced are private. The fact that these funds are not considered school funds has been repeatedly disclosed in Epic's annual audited financial statements and has been tacitly approved by the SAI by their lack of a statement of deficiency. Further, both the SDE and the SVCSB accepted these audits year after year and those audits made clear that the learning fund was no longer public money upon payment to EYS. Both Art. 10, § 15 of the Oklahoma Constitution and 70 O.S. § 18-104(A) involve the use of state funds and are therefore inapplicable to the privately held funds of EYS. Further, it is inappropriate of the SVCSB to

include allegations involving the private learning fund considering that there is pending litigation between the SAI and EYS, for which the SVCSB has intervened into such litigation. Because Epic did not transfer any funds to any California entity, the School has not violated any Contract Term or state law.

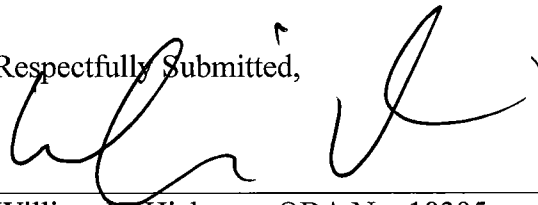
Furthermore, the transfers described in Paragraph 42 pre-date the Charter Contract that is relied upon in the Notice for termination. Because the transfers set forth in the Notice pre-date the Charter Contract, these transfers cannot, as a matter of law, be grounds for termination of the Charter Contract. Therefore, the allegations in paragraph 42 should be dismissed.

CONCLUSION

WHEREFORE, the School respectfully requests the SVCSB grant the Motion as a matter of law, require the refiling and service of an amended notice, if the SVCSB decides to continue to pursue termination proceedings, and for such other and further relief as it deems just and equitable.

WHEREFORE, the School also respectfully requests that this Motion be considered at the SVCSB's regularly scheduled January meeting and that oral arguments by counsel be allowed at that time.

Respectfully Submitted,



William H. Hickman, OBA No. 18395
HICKMAN LAW GROUP, PLLC
330 West Gray Street, Suite 170
Norman, Oklahoma 73069
Phone: 405.605.2375
hickman@hickmanlawgroup.com
ATTORNEY FOR DEFENDANT

CERTIFICATE OF SERVICE

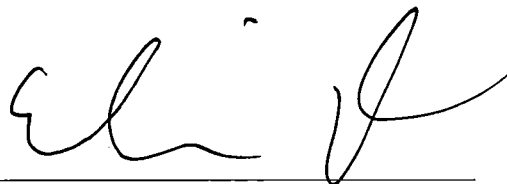
This is to certify that a true and correct copy of the above and foregoing was mailed and/or e-mailed this 17th day of December 2020, to the following attorneys of record:

STATEWIDE VIRTUAL CHARTER SCHOOL BOARD

Attn: Dr. Rebecca Wilkinson
840 Research Parkway, Suite 455
Oklahoma City, OK 73104

Marie Schuble
Assistant Attorney General
Office of the Oklahoma Attorney General
313 NE 21st Street
Oklahoma City, OK 73105
Marie.schuble@oag.ok.gov

Jenny Dickson
Assistant Attorney General
Office of the Oklahoma Attorney General
313 NE 21st Street
Oklahoma City, OK 73105
Jenny.dickson@oag.ok.gov



William H. Hickman

**EPIC CHARTER SCHOOL
SPECIAL AUDIT
Interview with John Harrington, SVCSB Chairman
For the period of July 1, 2011 through June 30, 2019**

On March 4, 2020, Brenda Holt, Director, Forensic Audit Division and Rainer Stachowitz, Senior Investigative Audit Supervisor, conducted an interview with John Harrington, Board Chairman, SVCSB (405-471-0900, jharrington@fundsforlearning.com) and Marie Schuble, Assistant Attorney General (405-522-2887, marie.schuble@oag.ok.gov) in the SA&I office located at 2300 North Lincoln Boulevard (state capitol), Oklahoma City, OK.

The purpose of the meeting was to gain a greater understanding of the roles and responsibilities of the SVCSB.

Brenda began by stating that SA&I was planning to get a partial Epic report out by the end of March and that we want to interview SVCSB Board members prior to issuing the report.

John stated that they rely heavily on Dr. Wilkinson (Becky, Executive Director of the SVCSB) and that she has been a godsend to the Board. The Board does not receive much financial data from Epic beyond the annual budget which they approve. Any detailed analysis is performed at Becky's level.

John states that he sees the Boards responsibilities as:

- Evaluating applications and improving their application template;
- Educational review/approval responsibilities (of online courses);
- Receiving reports (at Board meetings) from individual charter schools
- Rulemaking; and
- Other
 - John described an issue with Epic transcripts. It became apparent that Epic transcripts only included courses that students received a passing grade for (courses failed by students were not on the transcript)
 - Becky pulled all the Epic transcripts in August 2019
Note: we need to ask Becky to provide this data (how many students, possibly names)
 - No laws were broken so the Board took no action

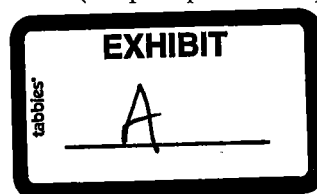
John stated that the relationship between Epic and the SVCSB has been less than stellar from day one. When the SVCSB was established, they were directed to accept all agreements in place (between virtual charter schools and their current sponsors). Epic renegotiated their agreement, lowering the administrative fee that the sponsor is allowed to charge, a few weeks prior to the sponsorship transferring to the SVCSB. Harrington saw this as questionable behavior, setting a behavior of pushing the letter of the law from day one.

Epic also wanted to open up a brick and mortar school in Carlton Landing and use a virtual curriculum. When John informed Epic that the SVCSB did not have the authority to approve this, he received a tremendous amount of pushback from David Chaney (EPIC co-owner) and Bill Hickman (EPIC attorney).

He believes that Epic is skirting the edge of legality and that it would be best if they hired a new management company or possibly have SDE (or another entity) assume the responsibility of managing Epic.

Brenda inquired if John was aware of any improper relationships or influences between any SVCSB member and Epic (Chaney, Hickman, Ben Harris-Epic co-owner). John described Chaney and Hickman as "very aggressive." He then described a similar relationship with Epic that SA&I is experiencing (delay tactics, very confrontational).

He then relayed his perception of Dr. Ethan Lindsey being influenced by Epic. He stated that this was not based on much hard-core evidence but a strong feeling and a few pieces of evidence. When Lindsey came on the Board, he was immediately very pro-Epic and he believes that Lindsey played a large role in influencing Mathew Hamrick, who was the SVCSB Board Chair at the time Lindsey became a Board member (in a pro-Epic direction).



**EPIC CHARTER SCHOOL
SPECIAL AUDIT
Interview with John Harrington, SVCSB Chairman
For the period of July 1, 2011 through June 30, 2019**

John relayed that Lindsey had accidentally let it slip that he and Hickman were close personal friends (went out drinking together) and that Hickman had also represented him in personal legal matters. Lindsey did not think that this presented a conflict of interest. He also stated that Lindsey was a close friend of Chaney's. Lindsey's term is up but the legislature has not replaced him yet, so he continues to be a Board member until his successor is named.

John did not believe that there were any other Board members that were directly influenced by Epic (Hickman, Chaney, Harris). Rainer then brought up the decision by Hamrick to remove the request for a SA&I audit from the May 2019 Board agenda after it had been placed on the agenda. (Hamrick was chairman of the board at that time) The timeline was essentially that Dr. Wilkinson gave Epic a courtesy call to inform them about the agenda item the day prior to the meeting. Within an hour of Dr. Wilkinson telling Ben Harris that the Board was going to place a request for an investigative audit of Epic on the agenda, she was informed by Hamrick to remove that item from the agenda. John also found this very concerning and did not have a good explanation for this behavior. (This was determined to by the June 2019 meeting after some follow-up work)

Harrington stated that he "prayed" that SA&I would discover a violation of law, or something that would prove a violation or breach of contract by Epic so that the SVCSB could step in and place Epic in a type of receivership and remove EYS as the management company. Keep the school intact but with a different management group.

A handwritten bracket on the right side of the page, spanning the height of the paragraph above. To the right of the bracket is a handwritten asterisk or star symbol.

The SVCSB, as the sponsor, was collecting 5% of state appropriations, as authorized by statute, from each virtual charter school to fund SVCSB operations. The amounts collected exceeded the cost of operating the SVCSB and a discussion and subsequent vote occurred to determine the disposition of the excess funds collected. Harrington was in favor of returning excess funds to the SDE or State general fund Epic lobbied for the funds to go to the virtual schools. The proposal voted on by the Board was to provide excess funds to the virtual charter schools. Harrington voted against this proposal, but it was passed by the Board.

We concluded by having a general discussion of the way ahead and the steps that need to be taken to provide more comprehensive oversight of virtual charter schools.



Description of Services Ordered and Certification Form 471

Universal Service
Administrative Co.

FCC Form 471

Application Information

Nickname	DSO2047103	Application Number	201015999
Funding Year	2020	Category of Service	Category 1

Billed Entity

Dove Science Academy District
919 NW 23rd Street Oklahoma City OK 73106
405-524-9762
erateokc@doveschools.org

Contact Information

Ilhan Guzey
405-605-0201
erateokc@doveschools.org

Billed Entity Number 17015528
FCC Registration Number 0026851329
Applicant Type School District

Consulting Firms

Name	Consultant Registration Number	City	State	Zip Code	Phone Number	Email
Funds for Learning	16024808	Edmond	OK	73013	405-341-4140	jharrington@fundsforlearning.com

Entity Information

School District Entity - Details

BEN	Name	Urban/Rural	State LEA ID	State School ID	NCES Code	School District Attributes	Endowment
17015528	Dove Science Academy District	Urban				Charter School District; Public School District	None

Related Entity Information

Related Child School Entity - Details

BEN	Name	Urban/Rural	State LEA ID	State School ID	NCES Code	Alternative Discount	School Attributes	Endowment
228957	DOVE SCIENCE ACADEMY MIDDLE SCHOOL	Urban	55-E 005	975		None	Charter School; Public School	None
16050136	DOVE SCIENCE ACADEMY ELEMENTARY SCHOOL	Urban	55-E 013	984		None	Charter School; Public School	None

EXHIBIT
B

BEN	Name	Urban/ Rural	State LEA ID	State School ID	NCES Code	Alternative Discount	School Attributes	Endowment
17015529	Dove Science Academy High School	Urban	55-E 024	991		None	Charter School; Public School	None
17015801	Dove Science Academy South Middle OKC	Urban				None	Public School	None

Related Child School Entity - Discount Rate Calculation Details

BEN	Name	Urban/ Rural	Number of Students	Students Count Based on Estimate	CEP Percentage
228957	DOVE SCIENCE ACADEMY MIDDLE SCHOOL	Urban	301	N/A	
16050136	DOVE SCIENCE ACADEMY ELEMENTARY SCHOOL	Urban	324	N/A	
17015529	Dove Science Academy High School	Urban	274	N/A	
17015801	Dove Science Academy South Middle OKC	Urban	421	N/A	

Related Child School Annexes

School BEN	School Name	Annex Name
17015529	Dove Science Academy High School	Dove Science Academy OKC High Schoo
17015801	Dove Science Academy South Middle OKC	Dove Science Academy South OKC Annex

Related School District NIFs

School District BEN	School District Name	NIF BEN	NIF Name
17015528	Dove Science Academy District	17022544	Central Office

Discount Rate

School District Enrollment	School District NSLP Count	School District NSLP Percentage	School District Urban/Rural Status	Category One Discount Rate	Category Two Discount Rate
1320	1103	84.0%	Urban	90%	85%

Funding Request for FRN #2099021022

Funding Request Nickname: Internet
Service Type: Data Transmission and/or Internet Access
What is the FRN number from the previous year ? 1999021521

Agreement Information - Contract

Contract Number	N/A	Account Number	
Establishing FCC Form 470	190015892	Service Provider	OneNet (Oklahoma State Regents) (SPN: 143015254)
Was an FCC Form 470 posted for the product and/or services you are requesting?	Yes	Based on State Master Contract?	No
Award Date	February 25, 2019	Based on a multiple award schedule?	No
How many bids were received for this contract?	2	Includes Voluntary Extensions?	Yes
What is the service start date?	July 01, 2020	Remaining Voluntary Extensions	4
		Total Remaining Contract Length	64
		What is the date your contract expires for the current term of the contract?	June 30, 2021

Pricing Confidentiality

Is there a statute, rule, or other restriction which prohibits publication of the specific pricing information for this contract? No

Narrative

This funding request is for discounts on Internet service for one school. The monthly cost includes the lease of a Juniper SRX1500 router to perform routing functionality required for the delivery of the Internet service.

Line Item # 2099021022.001

Product and Service Details

Purpose Internet access service that includes a connection from any applicant site directly to the Internet Service Provider

Function Fiber

Type of Connection Ethernet

Bandwidth Speed

Upload Speed 2.0 Gbps **Download Speed** 2.0 Gbps

Connection Information

Does this include firewall services? No **Is this a connection between eligible schools, libraries and NIFs (i.e., a connection that provides a "Wide area network")?** No

Is this a direct connection to a single school, library or a NIF for Internet access? Yes

Cost Calculation for FRN Line Item # 2099021022.001

Monthly Cost	
Monthly Recurring Unit Cost	\$2,928.00
Monthly Recurring Unit Ineligible Costs	- \$0.00
Monthly Recurring Unit Eligible Costs	= \$2,928.00
Monthly Quantity	x 1
Total Monthly Eligible Recurring Costs	= \$2,928.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$35,136.00

One-Time Cost	
One-time Unit Cost	\$0.00
One-time Ineligible Unit Costs	- \$0.00
One-time Eligible Unit Cost	= \$0.00
One-time Quantity	x 0
Total Eligible One-time Costs	= \$0.00
Summary	
Total Eligible Recurring Costs	\$35,136.00
Total Eligible One-time Costs	+ \$0.00
Pre-Discout Extended Eligible Line Item Cost	= \$35,136.00

Recipients of Services

BEN	Name
17015529	Dove Science Academy High School

FRN Calculation for FRN #2099021022

Monthly Charges	
Total Monthly Recurring Charges	\$2,928.00
Total Monthly Ineligible Charges	- \$0.00
Total Monthly Eligible Charges	= \$2,928.00
Total Number of Months of Service	x 12
Total Eligible Pre-Discount Recurring Charges	= \$35,136.00

One-Time Charges	
Total One-Time Charges	\$0.00
Total Ineligible One-Time Charges	- \$0.00
Total Eligible Pre-Discount One-Time Charges	= \$0.00

Total Requested Amount	
Total Eligible Pre-Discount Recurring Charges	\$35,136.00
Total Eligible Pre-Discount One-Time Charges	+ \$0.00
Total Pre-Discount Charges	= \$35,136.00
Discount Rate	90%
Funding Commitment Request	= \$31,622.40

Certifications

I certify that the entities listed in this application are eligible for support because they are schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. §§ 7801(18) and (38), that do not operate as for-profit businesses and do not have endowments exceeding \$50 million.

I certify that the entity I represent or the entities listed on this application have secured access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity, necessary to use the services purchased effectively. I recognize that some of the aforementioned resources are not eligible for support. I certify that the entities I represent or the entities listed on this application have secured access to all of the resources to pay the discounted charges for eligible services from funds to which access has been secured in the current funding year. I certify that the Billed Entity will pay the non-discount portion of the cost of the goods and services to the service provider(s).

Total Funding Summary

Below is a summary of the total line item costs on this FCC Form 471:

Summary	
Total funding year pre-discount eligible amount on this FCC Form 471	\$35,136.00
Total funding commitment request amount on this FCC Form 471	\$31,622.40
Total applicant non-discount share of the eligible amount	\$3,513.60
Total budgeted amount allocated to resources not eligible for E-rate support	\$59,000.00
Total amount necessary for the applicant to pay the non-discount share of eligible and any ineligible amounts	\$62,513.60
Are you receiving any of the funds directly from a service provider listed on any of the FCC Forms 471 filed by this Billed Entity for this funding year?	No
Has a service provider listed on any of the FCC Forms 471 filed by this Billed Entity for this funding year assisted you in locating funds needed to pay your non-discounted share?	No

I certify an FCC Form 470 was posted and that any related RFP was made available for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted were carefully considered and the most cost-effective service offering was selected, with price being the primary factor considered, and is the most cost-effective means of meeting educational needs and technology goals.

I certify that the entity responsible for selecting the service provider(s) has reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that the entity or entities listed on this application have complied with them.

I certify that the services the applicant purchases at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 C.F.R. § 54.500 and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 C.F.R. § 54.513. Additionally, I certify that the entity or entities listed on this application have not received anything of value or a promise of anything of value, as prohibited by the Commission's rules at 47 C.F.R. § 54.503(d), other than services and equipment sought by means of this form, from the service provider, or any representative or agent thereof or any consultant in connection with this request for services.

I certify that I and the entity(ies) I represent have complied with all program rules and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. There are signed contracts or other legally binding agreements covering all of the services listed on this FCC Form 471 except for those services provided under non-contracted tariffed or month-to-month arrangements. I acknowledge that failure to comply with program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.

I acknowledge that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services.

I certify that I will retain required documents for a period of at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I acknowledge that I may be audited pursuant to participation in the schools and libraries program. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts, and that if audited, I will make such records available to USAC.

I certify that I am authorized to order telecommunications and other supported services for the eligible entity(ies) listed on this application. I certify that I am authorized to submit this request on behalf of the eligible entity(ies) listed on this application, that I have examined this request, that all of the information on this form is true and correct to the best of my knowledge, that the entities that are receiving discounts pursuant to this application have complied with the terms, conditions and purposes of the program, that no kickbacks were paid to anyone and that false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001 and civil violations of the False Claims Act.

I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities listed on this application, or any person associated in any way with my entity and/or the entities listed on this application, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.

I certify that if any of the Funding Requests on this FCC Form 471 are for discounts for products or services that contain both eligible and ineligible components, that I have allocated the eligible and ineligible components as required by the Commission's rules at 47 C.F.R. § 54.504.

Notice

Section 54.504 of the Federal Communications Commission's rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to submit an application for such discounts by filing this Services Ordered and Certification Form (FCC Form 471) with the Universal Service Administrator. 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended. 47 U.S.C. § 254. The data in the report will be used to ensure that schools and libraries comply with the application requirements for universal service discounts contained in 47 C.F.R. § 54.504. Schools and libraries must file this form themselves or as part of a consortium. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The FCC is authorized under the Communications Act of 1934, as amended, to collect the information we request in this form. We will use the information you provide to determine whether approving your application for universal service discounts is in the public interest. If we believe there may be a violation or a potential violation of any applicable statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation or order. In certain cases, the information in your application for universal service discounts may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government is a party of a proceeding before the body or has an interest in the proceeding. In addition, consistent with the Communications Act of 1934, FCC regulations and orders, the Freedom of Information Act, 5 U.S.C. § 552, or other applicable law, information provided in or submitted with this form or in response to subsequent inquiries may be disclosed to the public. If you owe a past due debt to the Federal government, the information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other Federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide the information to these agencies through the matching of computer records when authorized. If you do not provide the information we request on the form, the FCC or the Universal Service Administrator may delay processing of your application for universal service discounts or may return your application without action. The foregoing Notice is required by the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, et seq. Public reporting burden for this collection of information is estimated to average 4.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, DC 20554. We also will accept your comments via the email if you send them to PRA@FCC.gov. DO NOT SEND COMPLETED WORKSHEETS TO THESE ADDRESSES.

Authorized Person

Title:	Assistant Superintendent	Name:	Ilhan Guzey
Phone:	405-605-0201	Email:	erateokc@doveschools.org
Address:	4230 N. Santa Fe Ave. Oklahoma City OK 73118	Employer:	Dove Science Academy District

Certified Timestamp

28-Feb-2020 10:48:36 EST



**Universal Service
Administrative Co.**

Description of Services Ordered and Certification Form 471

FCC Form 471

Application Information

Nickname	DSO2047104	Application Number	201024016
Funding Year	2020	Category of Service	Category 2

Billed Entity

Dove Science Academy District
919 NW 28rd Street Oklahoma City OK 73106
405-524-9762
erateokc@doveschools.org

Contact Information

Ilhan Guzey
405-605-0201
erateokc@doveschools.org

Billed Entity Number 17015528
FCC Registration Number 0026851329
Applicant Type School District

Consulting Firms

Name	Consultant Registration Number	City	State	Zip Code	Phone Number	Email
Funds for Learning	16024808	Edmond	OK	73013	405-341-4140	jharrington@fundsforlearning.com

Entity Information

School District Entity - Details

BEN	Name	Urban/Rural	State LEA ID	State School ID	NCES Code	School District Attributes	Endowment
17015528	Dove Science Academy District	Urban				Charter School District; Public School District	None

Related Entity Information

Related Child School Entity - Details

BEN	Name	Urban/Rural	State LEA ID	State School ID	NCES Code	Alternative Discount	School Attributes	Endowment
228957	DOVE SCIENCE ACADEMY MIDDLE SCHOOL	Urban	55-E 005	975		None	Charter School; Public School	None
16050136	DOVE SCIENCE ACADEMY ELEMENTARY SCHOOL	Urban	55-E 013	984		None	Charter School; Public School	None

BEN	Name	Urban/ Rural	State LEA ID	State School ID	NCES Code	Alternative Discount	School Attributes	Endowment
17015529	Dove Science Academy High School	Urban	55-E 024	991		None	Charter School; Public School	None
17015801	Dove Science Academy South Middle OKC	Urban				None	Public School	None

Related Child School Entity - Discount Rate Calculation Details

BEN	Name	Urban/ Rural	Number of Students	Students Count Based on Estimate	CEP Percentage
228957	DOVE SCIENCE ACADEMY MIDDLE SCHOOL	Urban	301	N/A	
16050136	DOVE SCIENCE ACADEMY ELEMENTARY SCHOOL	Urban	324	N/A	
17015529	Dove Science Academy High School	Urban	274	N/A	
17015801	Dove Science Academy South Middle OKC	Urban	421	N/A	

Related Child School Annexes

School BEN	School Name	Annex Name
17015529	Dove Science Academy High School	Dove Science Academy OKC High School
17015801	Dove Science Academy South Middle OKC	Dove Science Academy South OKC Annex

Related School District NIFs

School District BEN	School District Name	NIF BEN	NIF Name
17015528	Dove Science Academy District	17022544	Central Office

Discount Rate

School District Enrollment	School District NSLP Count	School District NSLP Percentage	School District Urban/Rural Status	Category One Discount Rate	Category Two Discount Rate
1320	1103	84.0%	Urban	90%	85%

Funding Request for FRN #2099036921

Funding Request Nickname: Firewall Service

Service Type: Managed Internal Broadband Services

Agreement Information - Contract

Contract Number	N/A	Account Number	
Establishing FCC Form 470	200016020	Service Provider	OneNet (Oklahoma State Regents) (SPN: 143015254)
Was an FCC Form 470 posted for the product and/or services you are requesting?	Yes	Based on State Master Contract?	No
Award Date	March 12, 2020	Based on a multiple award schedule?	No
How many bids were received for this contract?	1	Includes Voluntary Extensions?	Yes
What is the service start date?	July 01, 2020	Remaining Voluntary Extensions	4
		Total Remaining Contract Length	63
		What is the date your contract expires for the current term of the contract?	June 30, 2021

Pricing Confidentiality

Is there a statute, rule, or other restriction which prohibits publication of the specific pricing information for this contract? No

Narrative

This funding request is for cloud-based managed firewall service.

Line Item # 2099036921.001

Product and Service Details

Type of Managed Service Managed and leased from a third party service provider Agreement

Cost Calculation for FRN Line Item # 2099036921.001

Monthly Cost	
Monthly Recurring Cost	\$0.00
Monthly Recurring Ineligible Costs	- \$0.00
Monthly Recurring Eligible Costs	= \$0.00
Months of Service	x 12
Total Eligible Recurring Costs	= \$0.00

One-Time Cost	
One-time Cost	\$3,410.00
One-time Ineligible Costs	- \$0.00
One-time Eligible Cost	= \$3,410.00
Summary	
Total Eligible Recurring Costs	\$0.00
One-time Eligible Costs	+ \$3,410.00
Pre-Discout Extended Eligible Line Item Cost	= \$3,410.00

Recipients of Services

BEN	Name	Amount
228957	DOVE SCIENCE ACADEMY MIDDLE SCHOOL	\$852.50
17015529	Dove Science Academy High School	\$852.50
16050136	DOVE SCIENCE ACADEMY ELEMENTARY SCHOOL	\$852.50
17015801	Dove Science Academy South Middle OKC	\$852.50

FRN Calculation for FRN #2099036921

Monthly Charges	
Total Monthly Recurring Charges	\$0.00
Total Monthly Ineligible Charges	- \$0.00
Total Monthly Eligible Charges	= \$0.00
Total Number of Months of Service	x 12
Total Eligible Pre-Discount Recurring Charges	= \$0.00

One-Time Charges	
Total One-Time Charges	\$3,410.00
Total Ineligible One-Time Charges	- \$0.00
Total Eligible Pre-Discount One-Time Charges	= \$3,410.00

Total Requested Amount	
Total Eligible Pre-Discount Recurring Charges	\$0.00
Total Eligible Pre-Discount One-Time Charges	+ \$3,410.00
Total Pre-Discount Charges	= \$3,410.00
Discount Rate	85%
Funding Commitment Request	= \$2,898.50

Certifications

I certify that the entities listed in this application are eligible for support because they are schools under the statutory definitions of elementary and secondary schools found in the No Child Left Behind Act of 2001, 20 U.S.C. §§ 7801(18) and (38), that do not operate as for-profit businesses and do not have endowments exceeding \$50 million.

I certify that the entity I represent or the entities listed on this application have secured access, separately or through this program, to all of the resources, including computers, training, software, internal connections, maintenance, and electrical capacity, necessary to use the services purchased effectively. I recognize that some of the aforementioned resources are not eligible for support. I certify that the entities I represent or the entities listed on this application have secured access to all of the resources to pay the discounted charges for eligible services from funds to which access has been secured in the current funding year. I certify that the Billed Entity will pay the non-discount portion of the cost of the goods and services to the service provider(s).

Total Funding Summary

Below is a summary of the total line item costs on this FCC Form 471:

Summary	
Total funding year pre-discount eligible amount on this FCC Form 471	\$3,410.00
Total funding commitment request amount on this FCC Form 471	\$2,898.50
Total applicant non-discount share of the eligible amount	\$511.50
Total budgeted amount allocated to resources not eligible for E-rate support	\$59,000.00
Total amount necessary for the applicant to pay the non-discount share of eligible and any ineligible amounts	\$59,511.50
Are you receiving any of the funds directly from a service provider listed on any of the FCC Forms 471 filed by this Billed Entity for this funding year?	No
Has a service provider listed on any of the FCC Forms 471 filed by this Billed Entity for this funding year assisted you in locating funds needed to pay your non-discounted share?	No

I certify an FCC Form 470 was posted and that any related RFP was made available for at least 28 days before considering all bids received and selecting a service provider. I certify that all bids submitted were carefully considered and the most cost-effective service offering was selected, with price being the primary factor considered, and is the most cost-effective means of meeting educational needs and technology goals.

I certify that the entity responsible for selecting the service provider(s) has reviewed all applicable FCC, state, and local procurement/competitive bidding requirements and that the entity or entities listed on this application have complied with them.

I certify that the services the applicant purchases at discounts provided by 47 U.S.C. § 254 will be used primarily for educational purposes, see 47 C.F.R. § 54.500 and will not be sold, resold or transferred in consideration for money or any other thing of value, except as permitted by the Commission's rules at 47 C.F.R. § 54.513. Additionally, I certify that the entity or entities listed on this application have not received anything of value or a promise of anything of value, as prohibited by the Commission's rules at 47 C.F.R. § 54.503(d), other than services and equipment sought by means of this form, from the service provider, or any representative or agent thereof or any consultant in connection with this request for services.

I certify that I and the entity(ies) I represent have complied with all program rules and I acknowledge that failure to do so may result in denial of discount funding and/or cancellation of funding commitments. There are signed contracts or other legally binding agreements covering all of the services listed on this FCC Form 471 except for those services provided under non-contracted tariffed or month-to-month arrangements. I acknowledge that failure to comply with program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.

I acknowledge that the discount level used for shared services is conditional, for future years, upon ensuring that the most disadvantaged schools and libraries that are treated as sharing in the service, receive an appropriate share of benefits from those services.

I certify that I will retain required documents for a period of at least 10 years (or whatever retention period is required by the rules in effect at the time of this certification) after the later of the last day of the applicable funding year or the service delivery deadline for the associated funding request. I acknowledge that I may be audited pursuant to participation in the schools and libraries program. I certify that I will retain all documents necessary to demonstrate compliance with the statute and Commission rules regarding the application for, receipt of, and delivery of services receiving schools and libraries discounts, and that if audited, I will make such records available to USAC.

I certify that I am authorized to order telecommunications and other supported services for the eligible entity(ies) listed on this application. I certify that I am authorized to submit this request on behalf of the eligible entity(ies) listed on this application, that I have examined this request, that all of the information on this form is true and correct to the best of my knowledge, that the entities that are receiving discounts pursuant to this application have complied with the terms, conditions and purposes of the program, that no kickbacks were paid to anyone and that false statements on this form can be punished by fine or forfeiture under the Communications Act, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001 and civil violations of the False Claims Act.

I acknowledge that FCC rules provide that persons who have been convicted of criminal violations or held civilly liable for certain acts arising from their participation in the schools and libraries support mechanism are subject to suspension and debarment from the program. I will institute reasonable measures to be informed, and will notify USAC should I be informed or become aware that I or any of the entities listed on this application, or any person associated in any way with my entity and/or the entities listed on this application, is convicted of a criminal violation or held civilly liable for acts arising from their participation in the schools and libraries support mechanism.

I certify that if any of the Funding Requests on this FCC Form 471 are for discounts for products or services that contain both eligible and ineligible components, that I have allocated the eligible and ineligible components as required by the Commission's rules at 47 C.F.R. § 54.504.

Notice

Section 54.504 of the Federal Communications Commission's rules requires all schools and libraries ordering services that are eligible for and seeking universal service discounts to submit an application for such discounts by filing this Services Ordered and Certification Form (FCC Form 471) with the Universal Service Administrator. 47 C.F.R. § 54.504. The collection of information stems from the Commission's authority under Section 254 of the Communications Act of 1934, as amended. 47 U.S.C. § 254. The data in the report will be used to ensure that schools and libraries comply with the application requirements for universal service discounts contained in 47 C.F.R. § 54.504. Schools and libraries must file this form themselves or as part of a consortium. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The FCC is authorized under the Communications Act of 1934, as amended, to collect the information we request in this form. We will use the information you provide to determine whether approving your application for universal service discounts is in the public interest. If we believe there may be a violation or a potential violation of any applicable statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing, or implementing the statute, rule, regulation or order. In certain cases, the information in your application for universal service discounts may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government is a party of a proceeding before the body or has an interest in the proceeding. In addition, consistent with the Communications Act of 1934, FCC regulations and orders, the Freedom of Information Act, 5 U.S.C. § 552, or other applicable law, information provided in or submitted with this form or in response to subsequent inquiries may be disclosed to the public. If you owe a past due debt to the Federal government, the information you provide may also be disclosed to the Department of the Treasury Financial Management Service, other Federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide the information to these agencies through the matching of computer records when authorized. If you do not provide the information we request on the form, the FCC or the Universal Service Administrator may delay processing of your application for universal service discounts or may return your application without action. The foregoing Notice is required by the Paperwork Reduction Act of 1995, Pub. L. No. 104-13, 44 U.S.C. § 3501, et seq. Public reporting burden for this collection of information is estimated to average 4.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing, and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the reporting burden to the Federal Communications Commission, Performance Evaluation and Records Management, Washington, DC 20554. We also will accept your comments via the email if you send them to PRA@FCC.gov. DO NOT SEND COMPLETED WORKSHEETS TO THESE ADDRESSES.

Authorized Person

Title:	Assistant Superintendent	Name:	Ilhan Guzey
Phone:	405-605-0201	Email:	erateokc@doveschools.org
Address:	4230 N. Santa Fe Ave. Oklahoma City OK 73118	Employer:	Dove Science Academy District

Certified Timestamp

13-Mar-2020 09:05:43 EDT

**REGULAR MEETING OF THE
STATEWIDE VIRTUAL CHARTER SCHOOL BOARD
OLIVER HODGE BUILDING 2500 N. LINCOLN BLVD. ROOM 1-20
OKLAHOMA CITY, OKLAHOMA
AGENDA**

Tuesday, November 12, 2019 @ 2:00 PM

- 1. CALL TO ORDER AND ROLL CALL**
- 2. STATEMENT OF COMPLIANCE WITH THE OPEN MEETING ACT**
(Regularly scheduled meeting held November 12, 2019)

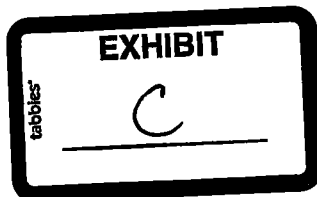
This regularly scheduled meeting of the Statewide Virtual Charter School Board has been convened in accordance with the Oklahoma Open Meeting Act.

This meeting was preceded by advance notice of the date, time and place, filed with the Oklahoma Secretary of State on September 19, 2018.

Notice of this meeting was also given at least twenty-four (24) hours in advance of the meeting by posting notice of the date, time, place and agenda of the meeting by 2:00pm on November 11, 2019, at the principal office of the Statewide Virtual Charter School Board, located at 2500 N. Lincoln, Oklahoma City, Oklahoma.

- 3. PLEDGE OF ALLEGIANCE, SALUTE TO THE OKLAHOMA STATE FLAG, and MOMENT OF SILENCE**
- 4. (Action) Presentation, discussion and possible action on minutes of the September 10, 2019 Statewide Virtual Charter School Board Regular Board Meeting**
- 5. OPENING COMMENTS - Chairman John Harrington**
- 6. PUBLIC COMMENT**

Public comments will be limited to only those subject matters listed in the current meeting agenda. A sign-up sheet will be posted at least fifteen (15) minutes prior to the scheduled start time of the board meeting. Only individuals who have signed up to speak will be recognized during the Public Comment period and will be recognized in the order in which they have signed. Each speaker will be allocated three (3) minutes for presentation. The Board Chairperson may interrupt and/or terminate any presentation during public comment, which does not conform to the procedures outlined under this Section.



7. ADMINISTRATION

- a. Presentation and report regarding monthly operations of the Statewide Virtual Charter School Board (SVCSB) office and possible discussion - Dr. Rebecca Wilkinson, Executive Director
 1. Oklahoma Charter Schools
 2. Student Story
- b. (Action) Presentation, discussion and possible action regarding the acceptance or rejection of the Dove Schools Oklahoma Information and Technology School Application for Initial Authorization - Dr. Ibrahim Sel, Dove Schools, Inc., Superintendent and Dr. Rebecca Wilkinson, Executive Director ✖
- c. (Action) Presentation, discussion and possible action regarding charter contract between the Dove Schools Oklahoma Information and Technology School governing board and the Statewide Virtual Charter School Board - Ms. Marie Schuble, Assistant Attorney General and SVCSB Counsel ✖
- d. Presentation and possible discussion and school response regarding the Annual Report for Epic One-on-One Charter School - Dr. Daniel Craig, Executive Director, OEQA, Mr. Bart Banfield, EPIC and Dr. Rebecca Wilkinson, Executive Director, SVCSB
- e. Presentation and possible discussion and school response regarding the Annual Report for Oklahoma Virtual Charter Academy - Dr. Daniel Craig, Executive Director, OEQA, Ms. Sheryl Tatum, ISOK and Dr. Rebecca Wilkinson, Executive Director
- f. Presentation and possible discussion and school response regarding the Annual Report for Oklahoma Connections Academy - Ms. Melissa Gregory, OKCA and Dr. Rebecca Wilkinson, Executive Director
- g. (Action) Presentation, discussion and possible action regarding the Oklahoma Supplemental Online Course Program (OSOCP) and to certify supplemental online courses - Dr. Lisa Daniels, OSOCP Specialist

8. NEW BUSINESS

Discussion and possible action on any item that could not have been known or reasonably foreseen prior to time of posting agenda (As defined in Oklahoma Statutes Title 25, Section 311 (A)(9))

9. ADJOURNMENT

The Board may take any item on this agenda out of order. The Board may discuss and/or vote to approve, disapprove, or take other action on any item listed on this agenda.

Minutes of the Regular Meeting of the
STATEWIDE VIRTUAL CHARTER SCHOOL BOARD
2500 NORTH LINCOLN BOULEVARD, ROOM 1-20
OKLAHOMA CITY, OKLAHOMA

November 12, 2019

The Statewide Virtual Charter School Board met in regular session at 2:04 p.m. on Tuesday, November 12, 2019 in the Hodge Building Board Room at 2500 North Lincoln Boulevard, Oklahoma City, Oklahoma. The final agenda was posted at 2:45 p.m. on Wednesday, November 6, 2019.

Members of the Statewide Virtual Charter School Board Present:

Robert Franklin
John Harrington
Ethan Lindsey
Phyllis Shepherd

Members of the Statewide Virtual Charter School Board Absent:

Mathew Hamrick

Others in Attendance:

Rebecca Wilkinson, Executive Director
Lynn Stickney, Secretary to the Board
Marie Schuble, Assistant Attorney General
Dan Craig, Office of Educational Quality and Accountability (OEQA)
Bart Banfield, Epic Charter School (EPIC)
David Chaney, Epic Charter School (EPIC)
Nick Williams, Epic Charter School (EPIC)
Jeni Milam, Epic Charter School (EPIC)
Sheryl Tatum, Oklahoma Virtual Charter Academy (OVCA) and Insight School of Oklahoma (ISOK)
Michelle Scionti, Oklahoma Virtual Charter Academy (OVCA) and Insight School of Oklahoma (ISOK)
Audra Plummer, Oklahoma Virtual Charter Academy (OVCA)
Jennifer Wilkinson, Insight School of Oklahoma (ISOK)
Melissa Gregory, Oklahoma Connections Academy (OKCA)
Dennis Schulz, Superintendent, E-School Virtual Charter Academy (ESVCA)
Maureen Brown, Dove Schools
Abidin Erex, Dove Schools
Tosin Akunde, Dove Schools
Mehmet Ali Orden, Dove Schools
Karen Medina, Dove Schools
Silap Berdion, Dove Schools
Charm Hoem, Dove Schools
Ali Eroghn, Dove Schools
Faith Ywksel, Dove Schools
Chris Lakpor, Dove Schools
Russ Florence, Dove Schools
Karey Cross, Dove Schools
Menmet Koyen, Dove Schools
Mary Blanlys Posh, Dove Schools
Scout Anvar, Oklahoma Education Association (OEA)
Colleen Cook, National Coalition for Public School Options
Other general public

1. CALL TO ORDER AND ROLL CALL

Mr. Harrington called the Statewide Virtual Charter School Board regular meeting to order at 2:04 p.m. Roll was called and ascertained there was a quorum.

2. STATEMENT OF COMPLIANCE WITH THE OKLAHOMA OPEN MEETING ACT

Ms. Stickney read the Statement of Compliance with the Oklahoma Open Meeting Act.

3. PLEDGE OF ALLEGIANCE, SALUTE TO THE OKLAHOMA STATE FLAG, AND MOMENT OF SILENCE

Mr. Harrington led board members and all present in the Pledge of Allegiance to the American flag, a salute to the Oklahoma flag, and a moment of silence.

4. Discussion and possible action on minutes of the September 10, 2019 Statewide Virtual Charter School Board Regular Board Meeting

Dr. Lindsey moved to accept the September 10, 2019 minutes. Mr. Franklin seconded the motion. The motion carried with the following votes:

Robert Franklin	Yes
John Harrington	Yes
Ethan Lindsey	Yes

5. OPENING COMMENTS

Mr. Harrington welcomed Statewide Virtual Charter School Board members and public and thanked everyone for their attendance.

6. PUBLIC COMMENTS

Ms. Shepherd joined the meeting at 2:09 p.m.

The Board heard comments from the following:

- Tosin Akunde
- Maureen Brown
- Mark Julian
- John Babbitt
- Drew Edmondson
- Jeni Milam
- Nick Williams

7. ADMINISTRATION

a. Presentation and report regarding monthly operations of the Statewide Virtual Charter School Board (SVCSB) office and possible discussion

1. Dr. Wilkinson shared a brief history of Oklahoma charter school history and reviewed previous and current virtual charter school enrollment.

2. Dr. Wilkinson shared the story of an Oklahoma student who left his traditional school due to bullying and now feels safe and is successful with the option of virtual education. She also shared two other student stories. The first has been dancing since the age of six (6) and has been accepted into Julliard. The second student graduated as a 2019 Valedictorian and with concurrent enrollment opportunities is attending the University of Tulsa studying electrical and computer engineering as a sophomore.

b. Presentation, discussion and possible action regarding the acceptance or rejection of the Dove Schools Oklahoma Information and Technology School Application for Initial Authorization

Dr. Wilkinson reviewed the revised application and answered board questions. With the revisions of the application, she recommended approval.

Dr. Lindsey moved to accept the 2020 meeting dates as modified. Ms. Shepherd seconded the motion. The motion carried with the following votes:

Robert Franklin	Yes
John Harrington	Yes *
Ethan Lindsey	Yes
Phyllis Shepherd	Yes

c. Presentation, discussion and possible action regarding charter contract between the Dove Schools Information and technology School governing board and the Statewide Virtual Charter School Board

Ms. Schuble reviewed the charter contract and answered board questions.

Dr. Lindsey moved to accept the charter contract. Ms. Shepherd seconded the motion. The motion carried with the following votes:

Robert Franklin	Yes
John Harrington	Yes *
Ethan Lindsey	Yes
Phyllis Shepherd	Yes

d. Presentation and possible discussion and school response regarding the Annual Report for Epic One-on-One Charter School

Dr. Craig, Executive Director, OEQA and Dr. Wilkinson, Executive Director, Statewide Virtual Charter School Board provided information and answered questions regarding the Annual Report for Epic One-on-One Charter School.

Mr. Banfield, Superintendent, Epic One-on-One Charter School, presented the Epic One-on-One response to the Board.

e. Presentation and possible discussion and school response regarding the Annual Report for Oklahoma Virtual Charter Academy

Dr. Craig, Executive Director, OEQA and Dr. Wilkinson, Executive Director, Statewide Virtual Charter School Board provided information and answered questions regarding the Annual Report for Oklahoma Virtual Charter Academy

Ms. Tatum, State Director, Shared Services, Oklahoma Virtual Charter Academy, presented the Oklahoma Virtual Charter Academy response to the Board.

f. Presentation and possible discussion and school response regarding the Annual Report for Oklahoma Connections Academy

Ms. Gregory, Head of School, Oklahoma Connections Academy, presented the Oklahoma Connections Academy response to the Board.

Dr. Lindsey left the meeting at 4:32 p.m.

g. Presentation, discussion and possible action regarding the Oklahoma Supplemental Online Course Program (OSOCP) and to certify supplemental online courses

Dr. Daniels provided an update on the Oklahoma Supplemental Online Course Program and recommended supplemental online courses for certification.

Mr. Franklin moved to approve the OSOCP courses as presented. Ms. Shepherd seconded the motion. The motion carried with the following votes:

Robert Franklin	Yes
John Harrington	Yes
Ethan Lindsey	Yes
Phyllis Shepherd	Yes

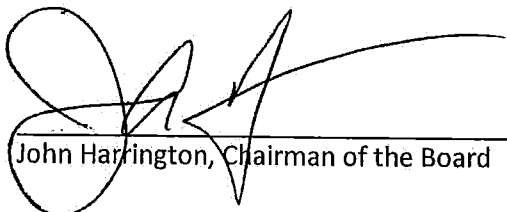
8. NEW BUSINESS

No new business.

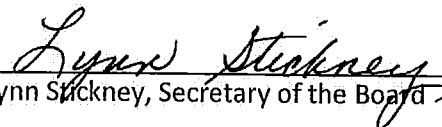
9. ADJOURNMENT

There being no further business, Mr. Franklin moved to adjourn the meeting at 4:38 p.m. Ms. Shepherd seconded the motion. The motion carried with the following votes:

Robert Franklin	Yes
John Harrington	Yes
Phyllis Shepherd	Yes



John Harrington, Chairman of the Board



Lynn Stickney, Secretary of the Board



Dove Schools Inc.

Board of Education

Board Members

Dr. Al Mikell
President

Dr. Mehmet Aktas
Vice President

Emin Karas
Secretary

Patrick Smith
Treasurer

Dr. Davud Davudov
Member

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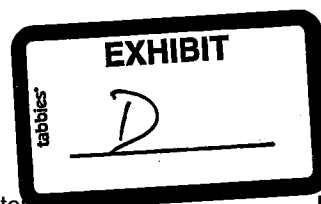
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Oklahoma Information and Technology School

Powered by Dove Schools

School Board

Board of Education

Board Members ▼

Dr. Al Mikell
President

Dr. Mehmet Aktas
Vice President

Emin Karas
Secretary

Patrick Smith
Treasurer

Dr. Davud Davudov
Member

Contact Information: board@oitsok.org

Why OITS?

Mission & Vision

Achievements

Authorizers

General FAQs

School Board

Board Meetings ▶

OITS Board Meeting Agendas ▶

OITS Board Meeting Minutes ▶



Dove Schools Inc.

Contact

Website Contact Form

Address

9212 N Kelley Ave Suite 100
Oklahoma City, OK 73131

Phone

(405) 605-0201

Fax

(405) 604-2760

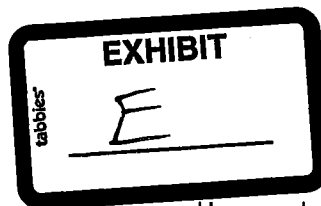
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Oklahoma Information and Technology School Powered by Dove Schools

Contact

Address

9212 N. Kelley Ave, Suite: 100
Oklahoma City, OK 73131

Phone

(405) 605-0201

Fax

(405) 604-2760

Email us

Your Name *

Your Email *

Message *

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Rule 4.4. Misuse of Office.

Except as permitted by law or these Rules, a state officer or employee shall not use his or her State office (1) for his or her own private gain, (2) for the endorsement of any product, service or enterprise, (3) for the private gain of a family member or persons with whom the state officer or employee is affiliated in a nongovernmental capacity, including nonprofit organizations of which the state officer or employee is an officer or member, or (4) for the private gain of persons with whom the state officer or employee seeks employment or business relations. These prohibitions shall not apply to any act or endorsement if the act or endorsement is customary for the state officer or employee's position or is authorized or permitted by the state officer or employee's contract of employment or if otherwise permitted or authorized by the Constitution or statutes or by these Rules. A state officer or employee may promote or solicit funds for civic, community or charitable organizations, including those promoting businesses or industries, or civic, community or charitable fund-raising events provided the state officer or state employee receives nothing for doing so except the costs associated with the state officer or state employee's participation in a fund-raising promotion or event paid for from funds of a charitable organization. No individual or other entity may pay for, or reimburse the charitable organization for, any such costs and gratuities; provided, however, nothing shall prevent individuals or other entities from making customary donations or paying sponsorship fees to the charitable organization.

History

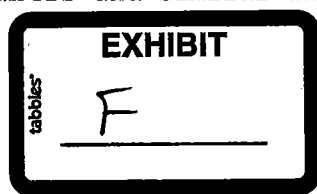
Promulgated by Ethics Commission January 10, 2014; effective upon Legislature's sine die adjournment May 23, 2014; operative January 1, 2015.

Commission Comment

This Rule embodies the principle that state officers and employees should not use their state offices to improperly enrich themselves or others.

The prohibitions in this Rule extend to direct private gain by the state officer or employee, to endorsements, to the private gain of family members, to the private gain of persons with whom the state officer or employee is affiliated in a nongovernmental capacity, including nonprofit organizations and to persons with whom the state officer or employee is seeking employment or other business relations.

The exception for "customary" practices is intended to cover such situations as consulting contracts for higher education faculty members, endorsement contracts for members of higher education athletic staff members and similar widely recognized and accepted practices.



A state officer or employee writing a professional reference letter for another individual is not a misuse of office if it is customary for the state officer's or employee's position and in accordance with other Ethics Rules.

The Rule also acknowledges that state officers and employees often properly engage in promotions and fund-raising activities for civic, community and charitable organizations. These events are exceptions to the general prohibition provided the state officer or employee receives nothing for doing so. There is an exception to the exception for charitable organizations which permits the costs associated with the state officer or employee's participation to be paid by the charitable organization, provided the charitable organization is not reimbursed for doing so.

Example: Olson, a professor of statistics at a state university, may accept a fee for testifying as an expert witness even though her credentials as an expert depend upon her state office.

Example: Stockton, a basketball coach at a state university, may endorse a particular brand of athletic wear if that is a customary practice for his professional position.

Example: Senator Smith may participate in a ribbon-cutting ceremony for Ajax Corporation, provided he receives nothing for doing so.

Example: Representative Jones may participate in a golf tournament to raise funds for a charity. Her costs, including breakfast and lunch and the costs of playing in the tournament may be paid by the charity.

Example: Ajax Corporation may not reimburse a charity for the costs of Representative Jones's participation in a golf tournament to raise funds for the charity. However, Ajax Corporation may make its customary sponsorship contribution to the charity.

Advisory Opinion 2017-01 found that while it is not a misuse of office for a member of the Council of Bond Oversight to vote to approve bond indebtedness issued by a state governmental entity and then purchase the bonds, there would be an appearance of a conflict of interest under Rule 4.7 that precludes a Council member from approving a bond issue and purchasing the bonds on the primary market. 2017 OK Ethics 01.

Rule 4.7. State Officer Impartiality.

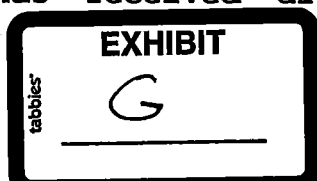
In the event a state officer or employee:

- (1) knows that a particular matter involving specific parties is likely to have a direct and predictable effect on the material financial interests of the state officer or employee or of his or her family member; or
- (2) knows that a person with whom he or she has a business relationship other than a routine consumer transaction is a party to or represents a party to such matter; or
- (3) determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to question his or her impartiality in the matter;

the state officer or employee shall not participate in the matter unless he or she is required to do so by law or permitted to do so by these Rules. This provision shall not apply when the effect of the matter applies equally to all members of a profession, occupation or large class. In considering whether a relationship would cause a reasonable person to question his or her impartiality, the state officer or employee may seek the advice of the Commission. The Commission may exercise discretion in determining whether or not to provide such advice or may delegate responsibility to the Executive Director to provide such advice. Such advice, if given by the Commission or the Executive Director, shall bind the Commission. Failure to seek such advice shall have no relevance in any subsequent proceeding involving that individual. A particular matter will have a direct and predictable effect on a material financial interest if there is a close causal link between any decision or action to be taken in the matter and any expected effect of the matter on the material financial interest, even though the effect is not immediate. It shall not apply to a chain of causation if it is attenuated or is contingent on the occurrence of events that are speculative or that are independent of, and unrelated to, the matter.

For purposes of this Rule, a "material financial interest" shall mean:

1. an ownership interest in a private business, including but not limited to, a closely held corporation, limited liability company, Subchapter S corporation or partnership for which the state officer or employee or his or her family member is a director, officer, owner, manager, employee, or agent or any private business, closely held corporation or limited liability company in which the state officer or employee or his or her family member owns or has owned stock, another form of equity interest, stock options, debt instruments, or has received dividends or income worth Twenty Thousand



- Dollars (\$20,000.00) or more at any point during the preceding calendar year; or
2. an ownership interest of five percent (5%) or more in a publicly traded corporation or other business entity by a state officer or employee or his or her family member at any point during the preceding calendar year; or
 3. an ownership interest in a publicly traded corporation or other business entity from which dividends or income, not to include salary, of Fifty Thousand Dollars (\$50,000.00) or more were derived during the preceding calendar year by the state officer or employee or his or her family member; or
 4. an interest that arises as a result of the state officer's or employee's or his or her family member's service as a director or officer of a publicly traded corporation or other business entity at any time during the preceding calendar year; or
 5. any sources of income derived from employment, other than compensation pertaining to the office for which the state officer or employee or his or her family member holds, in the amount of Twenty Thousand Dollars (\$20,000.00) or more by the state officer or employee or his or her family member.

For purposes of this Rule a "material financial interest" shall not mean (1) an interest in a mutual fund or other community investment vehicle in which the state officer or employee or his or her family member exercises no control over the acquisition or sale of particular holdings, or (2) an interest in a pension plan, 401k, individual retirement account or other retirement investment vehicle that makes diversified investments over which the state officer or employee or his or her family member exercises no control over the acquisition or sale of particular holdings.

History

Promulgated by Ethics Commission January 10, 2014; effective upon Legislature's sine die adjournment May 23, 2014; operative January 1, 2015.

Amendment promulgated by Ethics Commission January 27, 2017; effective upon sine die adjournment of the Legislature May 26, 2017; operative May 26, 2017.

The 2017 amendment moved (1) from between "In the event a state officer or employee:" and "knows that a particular matter" to between "material financial interests" and "of the state officers" in the first sentence. The 2017 amendment replaced the comma with a semicolon in the first sentence between "family member" and "or," and it removed (3) from between "or" and "if the state officer." The 2017 amendment removed the language "if the state officer or employee" from the first sentence, and it moved (2) from between "employee or" and "of his or her" to between "or" and "knows that a person" in the first sentence. The 2017 amendment removed

", and where the state officer or employee" in the first sentence between "to such matter" and "determines that," and it replaced it with "; or (3)." The 2017 amendment replaced the comma between "in the matter" and "the state officer" with a semicolon. The sentence read as follows: "In the event a state officer or employee: knows that a particular matter involving specific parties is likely to have a direct and predictable effect on the material financial interests (1) of the state officer or employee or (2) of his or her family member, or (3) if the state officer or employee knows that a person with whom he or she has a business relationship other than a routine consumer transaction is a party to or represents a party to such matter, and where the state officer or employee determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to question his or her impartiality in the matter, the state officer or employee shall not participate in the matter unless he or she is required to do so by law or permitted to do so by these Rules."

The 2017 amendment added the following language to the end of the section: "For purposes of this Rule, a 'material financial interest' shall mean:

1. an ownership interest in a private business, including but not limited to, a closely held corporation, limited liability company, Subchapter S corporation or partnership for which the state officer or employee or his or her family member is a director, officer, owner, manager, employee, or agent or any private business, closely held corporation or limited liability company in which the state officer or employee or his or her family member owns or has owned stock, another form of equity interest, stock options, debt instruments, or has received dividends or income worth Twenty Thousand Dollars (\$20,000.00) or more at any point during the preceding calendar year; or
2. an ownership interest of five percent (5%) or more in a publicly traded corporation or other business entity by a state officer or employee or his or her family member at any point during the preceding calendar year; or
3. an ownership interest in a publicly traded corporation or other business entity from which dividends or income, not to include salary, of Fifty Thousand Dollars (\$50,000.00) or more were derived during the preceding calendar year by the state officer or employee or his or her family member; or
4. an interest that arises as a result of the state officer's or employee's or his or her family member's service as a director or officer of a publicly traded corporation or other business entity at any time during the preceding calendar year; or
5. any sources of income derived from employment, other than compensation pertaining to the office for which the state officer or employee or his or her family member holds, in the amount of Twenty Thousand Dollars (\$20,000.00) or more by the state officer or employee or his or her family member.

For purposes of this Rule a 'material financial interest' shall not mean (1) an interest in a mutual fund or other community investment vehicle in which the state officer or employee or his or her family member exercises no control over the acquisition or sale of particular holdings, or (2) an interest in a pension plan, 401k, individual retirement account or other retirement investment vehicle that makes diversified investments over which the state officer or employee or his or her family member exercises no control over the acquisition or sale of particular holdings."

Commission Comment

This Rule requires state officers and employees to disqualify from matters in which their impartiality may reasonably be questioned. It also permits state officers and employees to voluntarily disqualify from participating in matters in which they may have a real or perceived conflict of interest. To evaluate whether or not such a conflict exists, the Rule requires a "reasonable person" standard, i.e., would a reasonable person with knowledge of the relevant facts question the impartiality of the state officer or employee? A "reasonable person" is a hypothetical person used as a legal standard.

The Rule provides that a state officer or employee who disqualifies should not "participate in the matter." That means that not only should the state officer or employee disqualify from voting or participating in a final decision in the matter, but that the state officer or employee should refrain from discussing or in any way trying to influence the ultimate decision, including making public statements other than his or her disqualification.

The Rule does not apply to legislators acting in their legislative capacities nor does it apply to judicial officers acting in their judicial capacities. See Article V, Section 24 and Article VIIA of the Oklahoma Constitution.

In considering whether a conflict exists, the link between a decision on the matter and the financial impact on the state officer or employee will be determinative. The closer the causal link, the more likely a conflict exists. The more attenuated the causal link, the less likely a conflict exists.

This Rule does not apply when the effect of a matter applies equally to the state officer or employee and all other members of the state officer or employee's profession or occupation or to all other members of a large class.

Example: *Oliver, who serves on a state board that regulates widget manufacturers, is a widget manufacturer. The board is considering a rule that would have the same impact on all widget manufacturers in the state, including Oliver. Oliver is not required to disqualify, but may do so voluntarily depending on the other circumstances. Factors that Oliver may consider: If a majority of members of the board also are widget manufacturers, the board could not act if each of them disqualified, so it would make little sense for them to do so. If, however, Oliver is the only widget manufacturer on the board, he might believe that his voluntary disqualification is prudent.*

Example: *Swanson, who is the head of a state agency, owns a significant amount of stock in a computer hardware company. The agency is considering a substantial purchase of computer hardware, and the company in which Swanson owns stock is submitting a bid. Swanson must disqualify from participating in the matter in any way.*

Example: *Manning, a state officer, sits on a board that is considering an application of a tax law that will affect every*

property taxpayer in Oklahoma in the same way. Manning pays property taxes. Manning is not required to disqualify.

Example: Morton, who is the chief executive of Agency A, sits on the board of Agency Z by virtue of a statute. The board of Agency Z is considering a matter that would have a significant impact on Agency A, as well as a few other state agencies. Morton is not required to disqualify because it is anticipated by the law that such situations will arise.

Example: Eagleton, whose husband owns a trucking company, sits on the board of an agency that regulates several industries, including trucking. Eagleton should disqualify from matters involving the trucking industry.

Example: Allen, whose husband owns convenience stores that sell gasoline and diesel, sits on a state board that regulates environmental matters. The board is considering a fee for certain types of motor vehicle fuel. The fee would be passed through to consumers of the motor vehicle fuels. Allen is not required to disqualify because the effect of the fee on her and her husband will be the same as consumers.

Example: Bennett is an attorney who serves on a state board. He and Carter often serve as co-counsel on cases in court. Carter is representing a client in an administrative hearing before the board. Bennett may or may not be required to disqualify, depending on all the circumstances, but he may wish to do so voluntarily because a reasonable person might question his impartiality. Bennett may wish to ask the Ethics Commission for advice on his participation in the matter.

This Rule permits state officers and employees to seek the advice of the Commission in deciding whether or not to disqualify. The Commission has complete discretion in deciding whether or not to provide such advice and may delegate its responsibility for doing so to the Executive Director. If the Commission or the Executive Director provides such advice, that advice is binding on the Commission. Failure to seek advice, however, shall have no relevance in any subsequent proceeding before the Commission. A state officer or state employee who seeks such advice should do so with ample time for a response to be made before the matter is under consideration.

"Material financial interest" is defined in a way so that the interest might be affected by an action of a state officer or employee.

Advisory Opinion 2017-01 found that while it is not a misuse of office for a member of the Council of Bond Oversight to vote to approve bond indebtedness issued by a state governmental entity and then purchase the bonds, there would be an appearance of a conflict of interest under Rule 4.7 that precludes a Council member from approving a bond issue and purchasing the bonds on the primary market. 2017 OK Ethics 01.

Memo

To: Marie Schuble, Oklahoma Attorney General's Office

From: John Paul Jordan, Esq.

**Speaker Charles McCall, Senate Pro Tempore Greg Treat,
Secretary of Education Ryan Walters,
Rebecca L. Wilkinson, Ed. D., Executive Director of the SVCSB,
SVCSB Vice Chair Dr. Robert Franklin,
Phyllis Shepherd, Mathew Hamrick,**

cc: Barry Beauchamp, Dr. Brandon Tatum

Date: December 3, 2020

Re: SVCSB Members Conflict of Interest Allegations

There is nothing which would prevent Board Members Phyllis Shepherd or Mathew Hamrick from exercising their full duties as Board Members of the SVCSB. Upon review of the facts and the governing legal authority it is apparent the conflict of interest allegations have no basis in law or in fact.

Standard of Review

Pursuant to Article XXIX, Section 3(B) of the Oklahoma Constitution the Oklahoma Ethics Commission is required to “promulgate rules of ethical conduct for state officers and employees.”

The Commission has established Rule 4 of Ethics Commission “to establish rules of ethical conduct for state officers and employees by prohibiting conflicts between their public duties and private economic interests.”

Rule 4 is divided into twenty-three (23) separate rules ranging from “Modest Items of Food and Refreshments” (Rule 4.12) to “Misuse of Authority” (Rule 4.5).¹

After a full review of each of these rules it becomes clear that neither Phyllis Shepherd nor Mathew Hamrick have any conflict preventing them from exercising their full duties as Board Members. This would include participating and voting on the Board’s current review of Epic or the regular matters in the course of business of the SVCSB such as the election of officers prior to the statutory deadline of December 31.²

¹ I highly recommend you review each of these rules in this matter and see for yourself that neither Phyllis Shepherd nor Matthew Hamrick have any conflict preventing them from exercising their full duties as Board Members.

² OKLA. STAT. tit 70 § 3-145.1.



Claims Regarding Phyllis Shepherd.

Phyllis Shepherd has been accused of having a potential conflict of interest based on her familial ties to David Chaney, an executive of one of Epic Charter School's primary vendors, Epic Youth Services³ potentially in violation of Rule 4.4.

Fortunately, the Ethics Commission has aided in the interpretation of its rules by providing definitions and comments in its Annotated Ethics Rules. According to Rule 4.2(4) "family member" is defined only to include one's "spouse, children (including stepchildren), mother, father, sister or brother."

The Commission has further commented in the annotated rules family members are to only include "the nuclear family——individual, spouse and children——for two generations: that of the state officer or employee and his or her parents."

Further pursuant to Rule 4.3 "In addition to these Rules, a state officer or employee shall comply with any more restrictive rules or policies established by his or her employing agency and with any more restrictive provisions of the statutes of the State of Oklahoma."

Although the Virtual Charter School laws and the Charter School laws do not have conflict of interest rules specific to a sponsoring agency's board composition, state statute provides some guidance. Pursuant to OKLA. STAT. tit. 70 § 5-113:

[N]o person shall be eligible to be a candidate for or serve on a board of education if the person is currently employed by the school district governed by that board of education or is related within the second degree by affinity or consanguinity to any other member of the board of education or to any employee of the school district governed by the board of education.

The second degree of consanguinity is understood to include parents, children, grand-children, grandparents, and siblings by birth or by marriage.

First, Phyllis Shepherd's relation to David Chaney is outside the second degree of consanguinity. A review of the family tree indicates Mr. Chaney is Board Member Shepherd's older half-sister's grandson. This makes them, at-most, in the fourth degree of consanguinity and by no-means nuclear family.

Second, David Chaney is not an employee of the school. He works strictly for an education services vendor, Epic Youth Services.

Further, the two are not relationally close. Beyond Ms. Shepherd's habit of wishing her Facebook friends a "Happy Birthday" by all indications they have very little contact with one another and do not consider themselves close family.

Under no standard is this an actual conflict of interest and certainly no reasonable person would question Ms. Shepherd's impartiality in the matter based on a highly attenuated relationship such as this.

³Eger, A., 2020. *Statewide Virtual Charter School Board member is relative of Epic co-founder.* Tulsa World, [online] Available at: <https://tulsaworld.com/community/skiatook/news/statewide-virtual-charter-school-board-member-is-relative-of-epic-co-founder/article_8fcf7f6a-0f1f-11eb-aaca-83727c712e83.html> [Accessed 3 December 2020].

In addition, when reviewing Ms. Shepherd's voting patterns since her appointment to the Board she has made no votes which would indicate bias or impartiality with regards to Epic Charter Schools which could be construed to violate the Rules promulgated by the Oklahoma Ethics Commission.

Ms. Shepherd was appointed to the Board on October 1, 2018 by the Speaker of the Oklahoma House of Representatives, Charles A. McCall, and represents Oklahoma's Second Congressional District. Throughout her tenure the vast majority of the meetings she has attended and participated on have had very little votes concerning Epic Charter Schools.

However, there are some votes which would seem significant:

On November 12, 2019, Shepherd voted in favor of the Dove Schools Information and technology School Application for initial authorization allowing for the charting of another direct competitor for Epic Charter Schools.

On July 14, 2020, Shepherd voted along with the present members of the Board to file an Amicus Brief in Oklahoma County Case No. CV-2020-554, which would be more favorable to the State Auditor's case against Epic Charter Schools.

On October 13, 2020, Shepherd was the lone vote in voting "No" on the termination proceedings for the contract between the Statewide Virtual Charter School Board and Community Strategies, Inc., the governing board for Epic One-on-One Charter School.

As stated by Ms. Shepherd, her reasoning was that both sides needed to be heard prior to a vote.

Pursuant to the SVCSB Virtual Charter School Authorization and Oversight Process Section 4: School Closure Process:

The Statewide Virtual Charter School Board has developed revocation and nonrenewal processes consistent with the Oklahoma Charter Schools Act. These procedures provide the charter school with: 1. A timely notification of the prospect of revocation or nonrenewal and of the reasons for possible closure; 2. A reasonable amount of time to prepare and submit a response; 3. An opportunity to submit documents and give testimony in a public hearing challenging the rationale for closure and in support of the continuation of the school at an orderly proceeding held for that purpose and prior to taking any final renewal or revocation decision related to the school; and 4. After appropriate deliberations, a written response of the final determination.

According to the Agenda for the October 13, 2020, meeting, the vote occurred after the presentation by the Office of the State Auditor and Inspector and by yourself as Assistant Attorney General. There is no indication that Community Strategies, Inc., was provided reasonable notification they were on the agenda, or a reasonable amount of time to prepare and submit a response. In addition, the Special Investigative Audit itself was released on October 1, 2020 leaving very little time for Epic Charter Schools to prepare a response if they had been granted time at the October 13, 2020 meeting.

Another vote to be considered would be at the September 1, 2020 meeting in which Ms. Shepherd voted "No" on Mr. Harrington's motion to censure and remove fellow board member Mathew Hamrick from the SVCSB Audit Committee based on Mr. Hamrick authoring an

affidavit which countered some of the information in the Amicus Brief voted on by the board and submitted in Oklahoma County Case No. CV-2020-554.

Claims Regarding Mathew Hamrick.

Board Member Mathew Hamrick has been accused of having a potential conflict of interest based on a “longtime personal friendship with Chaney”⁴ and receiving a \$200 political donation for a State Senate campaign in 2017.⁵

First, there are no rules about campaign contributions creating a conflict of interest. And campaign contributions are not gifts—they have their own rules and their own reporting requirements.

Second, the general standard is a campaign contribution does not create a conflict of interest. Even the Judicial Code of Conduct⁶ deems contributions within the limits allowed by the Oklahoma Ethics Commission will not normally require disqualification unless other factors are present. OKLA. STAT. tit. 5 § Rule 2.11(4).

At their most basic level, conflict of interest rules are intended to ensure that state officers and employees do not misuse their state office. When applying these rules to the current situation it would be best to review Rules 4.4 and 4.7.

Pursuant to Rule 4.4, the Ethics Commission has mandated that:

[A] state officer or employee shall not use his or her State office (1) for his or her own private gain, (2) for the endorsement of any product, service or enterprise, (3) for the private gain of a family member or persons with whom the state officer or employee is affiliated in a nongovernmental capacity, including nonprofit organizations of which the state officer or employee is an officer or member, or (4) for the private gain of persons with whom the state officer or employee seeks employment or business relations.

The Ethics Commission also created rules to protect against basic impartiality. Rule 4.7 generally prevents a state officer or employee from participating in a given matter if the state officer or employee:

(1) knows that a particular matter involving specific parties is likely to have a direct and predictable effect on the material financial interests of the state officer or employee or of his or her family member; or

(2) knows that a person with whom he or she has a business relationship other than a routine consumer transaction is a party to or represents a party to such matter; or

(3) determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to question his or her impartiality in the matter;

Upon review, it is worth clarifying the relationship between Mr. Chaney and Mr. Hamrick. While they have known each other for many years, the relationship is based on a few mutual

⁴ Oklahoma State Auditor & Inspector, 2020. *EPIC Charter Schools Special Investigative Audit – Part I*.

⁵ Oklahoma Ethics Commission, 2017. *Hamrick for State Senate 2027, 2017 2nd Quarter Contributions and Expenditures*.

⁶ Oklahoma’s most stringent Rules regarding disqualification due to campaign contributions.

friends. In that sense they are acquaintances but are not as close as those who would like to disqualify Mr. Hamrick might like.

Gifts from vendors which are actively doing business with the state officer's agency are generally prohibited, subject to many exceptions. One such exception is that "[a] state officer or employee may accept a gift given under circumstances that make it clear that the gift is motivated by a family relationship or a personal relationship rather than the state officer or employee's status as a state officer or employee. Relevant factors in making such a determination include, but are not limited to, the history and nature of the relationship and whether the family member or friend personally pays for the gift." Ethics Commission Rule 4.9.

Mr. Chaney does not do business with the Statewide Virtual Charter School Board to qualify as a vendor "doing business with the state officer or state employee's agency", but, in any sense, he contributed \$200 out of his own personal pocketbook to Mr. Hamrick's campaign because he was an acquaintance.

Likewise, Mr. Hamrick has no material financial interest in Epic Youth Services and is not engaged in any business relationship with Epic Youth Services. Again, the Commission has aided in the interpretation of these rules by providing definitions. The meaning of "material financial interest" is limited to interest such as an ownership interest in a private business worth Twenty Thousand Dollars (\$20,000.00) or more; five percent (5%) or more in a publicly traded corporation or other business entity; or ownership in a publicly traded corporation or other business entity which results in dividends or income, not to include salary, of Fifty Thousand Dollars (\$50,000.00) or more, etc.

With this context, it is clear that Mr. Hamrick's social connections and receipt of a \$200 campaign contribution more than three years ago would not reasonably cause him to be impartial. Such a social connection is not grounds for a conflict of interest. They are not family, nor are they continually affiliated in a nongovernmental capacity and Mr. Hamrick has not (and is not) seeking employment or business relations with Mr. Chaney.

Therefore, their relationship does not give rise to any violations regarding "conflict of interest" as determined by Rules 4.4 and 4.7, and should not thereby disqualify him from participating in the SVCSB's determination.

Conclusion

The SVCSB is under the rules promulgated by the Oklahoma Ethics Commission with regards to ethical behavior and conflicts of interests. Neither Phyllis Shepherd nor Mathew Hamrick have violated any conflict of interest provisions as promulgated by those rules. In addition, neither one of them has violated any Oklahoma State or Federal statutes which would disqualify them from serving on the SVCSB for the remainder of their terms. While Ms. Shepherd is a relative of David Chaney, her connection with him lies somewhere within the fourth degree of consanguinity. In addition, her voting pattern has never indicated any type of bias towards Epic Charter Schools. In the same regard, Mr. Hamrick's connection to David Chaney is that of a friendly acquaintance. His acceptance of a campaign contribution in the amount of \$200 does not preclude him from serving on the Board and voting as his conscience dictates.

Minutes of the Regular Meeting of the
STATEWIDE VIRTUAL CHARTER SCHOOL BOARD
2500 NORTH LINCOLN BOULEVARD, ROOM 1-20
OKLAHOMA CITY, OKLAHOMA

August 9, 2016

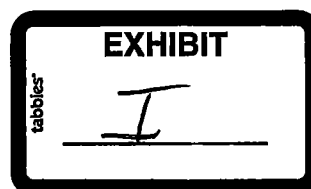
The Statewide Virtual Charter School Board met in regular session at 1:06 p.m. on Tuesday, August 9, 2016, in the State Board Room of the Oliver Hodge Education Building at 2500 North Lincoln Boulevard, Oklahoma City, Oklahoma. The final agenda was posted at 4:20 p.m. on Thursday, August 4, 2016.

Members of the Statewide Virtual Charter School Board Present:

John Harrington
Denise Floyd
Debbie Long – joined meeting at 1:09 p.m.
Pamela Vreeland

Others in Attendance:

Dr. Rebecca Wilkinson, Executive Director
Lynn Stickney, Secretary to the Board
Dr. Lisa Daniels, OSOCP Specialist
Marie Schuble, Assistant Attorney General
Tammy Shepherd, Principal, Oklahoma Connections Academy
Sheryl Tatum, Head of School, OVCA and Insight School of Oklahoma
Ben Harris, EPIC Charter School
Dr. Ken Kuczynski, Superintendent, ABLE Charter School
Tanya Chiariello, ABLE Charter School
Nick Singer, Oklahoma Education Association (OEA)
Kathryn Stehno, Oklahoma Education Quality Accountability (OEQA)
Robert Buswell, Oklahoma Education Quality Accountability (OEQA)
Terri Thomas, Oklahoma Public School Resource Center (OPSRC)
Andy Evans, Oklahoma Public School Resource Center (OPSRC)
Brent Bushey, Oklahoma Public School Resource Center (OPSRC)
Emily Wendler, KOSU Radio
Other general public



1. CALL TO ORDER AND ROLL CALL

John Harrington called the Statewide Virtual Charter School Board regular meeting to order at 1:06 p.m. Roll was called and ascertained there was a quorum.

2. STATEMENT OF COMPLIANCE WITH THE OKLAHOMA OPEN MEETING ACT

Lynn Stickney read the Statement of Compliance with the Oklahoma Open Meeting Act.

3. PLEDGE OF ALLEGIANCE, SALUTE TO THE OKLAHOMA STATE FLAG, AND MOMENT OF SILENCE

John Harrington led Board members and all present in the Pledge of Allegiance to the American Flag, a salute to the Oklahoma Flag, and a moment of silence.

4. MAY 10, 2016 STATEWIDE VIRTUAL CHARTER SCHOOL BOARD REGULAR MEETING MINUTES

Denise Floyd made a motion to approve the June 14, 2016 minutes as presented. Pam Vreeland seconded the motion. The motion carried with the following votes:

Pam Vreeland	Yes
Denise Floyd	Yes
John Harrington	Yes
Debbie Long	Yes

5. OPENING COMMENTS

There were no opening comments.

6. PUBLIC COMMENTS

There were no public comments.

7. ADMINISTRATION

a. Presentation and possible discussion of public relations planning from Jones Public Relations

Jones Public Relations has been awarded the contract for PR services for the Statewide Virtual Charter School Board. Josh Harlow, Jones Public Relations, introduced the Jones PR Team assigned to the Statewide Virtual Charter School Board account. Mr. Harlow outlined the plans for the development of communications and public relations services over the next year.

b. Presentation and report regarding monthly operations of the Statewide Virtual Charter School Board (SVCSB) office

1. Dr. Wilkinson, Executive Director, provided the Board with FY16 ADM enrollment data as well as enrollment numbers as of August 1, 2016.
2. Dr. Wilkinson updated the Board on the current status of the SVCSB Administrative Rules.
3. The National Charter Schools Conference was held in June 2016. Dr. Wilkinson provided the board with highlights from the conference.
4. Dr. Wilkinson outlined a research opportunity regarding online education. The project has received approval from Secretary Natalie Shirley and the Statement of Work for the Request for Proposal will be submitted.
5. Dr. Rebecca Wilkinson, Executive Director, shared a story of virtual charter school student who graduated in May. The senior student graduated with honors, valedictorian of her class and graduating just three (3) credits short of an Associate's Degree.

c. Presentation and possible discussion of annual review for Epic Charter School

Dr. Wilkinson provided members of the Board with an update on the operations of Epic Charter School. She reviewed the areas of Organizational Capacity, Financial Management, and Academic Program and Performance.

d. Discussion and possible action on contract amendment between the Statewide Virtual Charter School Board and Community Strategies, Inc. (Epic Charter School)

Marie Schuble, Assistant Attorney General, explained it was necessary to amend the current contract with Epic Charter School in order to be in compliance with the revised Charter School Act reauthorization timeline.

Debbie Long moved to approve the contract amendment between the Statewide Virtual Charter School Board and Community Strategies, Inc. as presented. Denise Floyd seconded the motion. The motion carried with the following votes:

Debbie Long	Yes
Pam Vreeland	Yes
Denise Floyd	Yes
John Harrington	Yes

Statewide Virtual Charter School Board Regular Meeting
Approved Minutes – August 9, 2016

- c. Presentation and possible discussion regarding Intercompany Agreement between Community Strategies and Community Strategies–CA.**

Marie Schuble, Assistant Attorney General, explained and answered board questions regarding the Intercompany Agreement between Community Strategies and Community Strategies–CA.

- f. Presentation and possible discussion of review of 2016 Legislative Session**

Terri Thomas, OPSRC, updated the board on the Every Student Succeeds Act and state legislation update.

- g. Presentation and possible discussion of Office of Educational Quality and Accountability (OEQA) Performance Review Process and Schedules**

Robert Buswell, OEQA, provided information regarding the School Performance Review schedule for 2016-2017 and presented the Epic Charter School Preliminary Issues and survey results.

- h. Presentation and possible discussion of the Oklahoma Supplemental Online Course Program – Dr. Lisa Daniels, OSOCP Specialist**

Lisa Daniels, OSOCP Specialist, updated the board on the current status of the Oklahoma Supplemental Online Course Program.

- i. Discussion of the Authorization Process Manual August 2016 Draft**

Dr. Wilkinson provided the board with an update of the Authorization Process Manual Draft.

- j. Discussion and possible action to ratify contract with Angel, Johnston & Blasingame, PC for FY16 audit services of ABLE Charter School**

This agenda item was tabled.

- k. Discussion and possible action to enter into Executive Session pursuant to 25 O.S. 307 (B) (1) to discuss compensation for Executive Director**

Denise Floyd moved to enter into Executive Session. Debbie Long seconded the motion. The motion carried with the following votes:

John Harrington	Yes
Debbie Long	Yes
Pam Vreeland	Yes
Denise Floyd	Yes

l. Discussion and possible action to enter into Open Session.

Debbie Long moved to enter into Open Session. Denise Floyd seconded the motion. The motion carried with the following votes:

Denise Floyd	Yes
John Harrington	Yes
Debbie Long	Yes
Pam Vreeland	Yes

m. Discussion and possible action on items arising from Executive Session.

Debbie Long made a motion to adopt a new job description for the Executive Director position to reflect new Agency responsibilities and to set the salary range at \$100,000-\$115,000 and in doing so to set the Executive Director's annual salary at \$108,000 effective July 1, 2016. Pam Vreeland seconded the motion. The motion carried with the following votes:

Pam Vreeland	Yes
Denise Floyd	Yes
John Harrington	Yes
Debbie Long	Yes

8. PUBLIC COMMENTS

There were no public comments.

10. NEW BUSINESS

There was no new business.


11. ADJOURNMENT

There being no further business, Debbie Long moved to adjourn the meeting at 3:24 p.m. Denise Floyd seconded the motion. The motion carried with the following votes:

Pam Vreeland	Yes
Denise Floyd	Yes
John Harrington	Yes
Debbie Long	Yes



John Harrington, Chairman of the Board



Lynn Stickney, Secretary of the Board

**Minutes of the Regular Meeting of the
STATEWIDE VIRTUAL CHARTER SCHOOL BOARD
2500 NORTH LINCOLN BOULEVARD, ROOM 1-20
OKLAHOMA CITY, OKLAHOMA**

September 12, 2017

The Statewide Virtual Charter School Board met in regular session at 1:02 p.m. on Tuesday, September 12, 2017, in the State Board Room of the Oliver Hodge Education Building at 2500 North Lincoln Boulevard, Oklahoma City, Oklahoma. The final agenda was posted at 2:00 p.m. on Friday, September 8, 2017.

Members of the Statewide Virtual Charter School Board Present:

Mathew Hamrick
John Harrington
Ethan Lindsey

Members of the Statewide Virtual Charter School Board Absent:

Debbie Long
Pamela Vreeland

Others in Attendance:

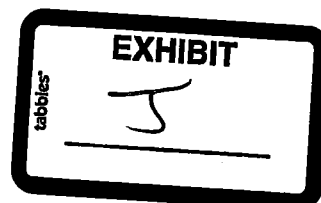
Dr. Rebecca Wilkinson, Executive Director
Lynn Stickney, Secretary to the Board
Dr. Lisa Daniels, OSOCP Specialist
Marc Pate, Assistant Attorney General
Tammy Shepherd, Superintendent, Oklahoma Connections Academy (OKCA)
Sheryl Tatum, Head of School, Oklahoma Virtual Charter Academy (OVCA)
David Chaney, Superintendent, Epic Charter School
Dr. Daniel Craig, Oklahoma Educational Quality and Accountability (OEQA)
Angie Bookout, Oklahoma Educational Quality and Accountability (OEQA)
Colleen Cook, Public School Options
Ivy Riggs, Oklahoma Education Association (OEA)
Tile Tilley, ECapitol
Other general public

1. CALL TO ORDER AND ROLL CALL

Mr. Hamrick called the Statewide Virtual Charter School Board regular meeting to order at 1:02 p.m. Roll was called and ascertained there was a quorum.

2. STATEMENT OF COMPLIANCE WITH THE OKLAHOMA OPEN MEETING ACT

Lynn Stickney, Secretary to the Board, read the Statement of Compliance with the Oklahoma Open Meeting Act.



3. PLEDGE OF ALLEGIANCE, SALUTE TO THE OKLAHOMA STATE FLAG, AND MOMENT OF SILENCE

Mr. Hamrick led board members and all present in the Pledge of Allegiance to the American flag, a salute to the Oklahoma flag, and a moment of silence.

4. AUGUST 15, 2017 STATEWIDE VIRTUAL CHARTER SCHOOL BOARD SPECIAL MEETING MINUTES

Mr. Harrington made a motion to approve the August 15, 2017 minutes. Dr. Lindsey seconded the motion. The motion carried with the following votes:

Mathew Hamrick	Yes
John Harrington	Yes
Ethan Lindsey	Yes

5. OPENING COMMENTS

Mr. Hamrick asked to keep Ms. Long and Ms. Vreeland in our thoughts as they are absent today.

6. PUBLIC COMMENTS

There were no public comments.

7. ADMINISTRATION

a. Presentation and report regarding monthly operations of the Statewide Virtual Charter School Board (SVCSB) office and possible discussion

Dr. Wilkinson, Executive Director shared the story of rural students who are able to participate in the rodeo circuit through access to online education.

b. Presentation and possible action regarding ABLE Charter School Closure Report

Dr. Wilkinson updated the Board regarding the ABLE Charter School closure. The final ABLE Charter School Board Meeting was held on August 21, 2017. The school is now closed.

No action was taken on this agenda item.

c. Presentation and possible discussion regarding Oklahoma Educational Quality and Accountability (OEQA) School Performance Report for Insight School of Oklahoma (ISOK)

Dr. Dan Craig, Office of Educational Quality and Accountability, (OEQA) presented the Insight School of Oklahoma (ISOK) Performance Report.

d. Presentation and possible action regarding reauthorization of Epic Charter School

Mr. David Chaney presented a summary report of Epic Charter School to the Board in support of reauthorization.

*

e. Discussion and possible action regarding Charter Contract between the Statewide Virtual Charter School Board and Epic Charter School Governing Board



Dr. Wilkinson provided the Board with a proposed Charter Contract with Epic Charter School.

After Board discussion, Dr. Lindsey moved to accept the contract between the Statewide Virtual Charter School Board and Community Strategies, Inc. for a seven (7) year contract with amendment of 1.6 as presented by Dr. Wilkinson. Mr. Harrington seconded the motion. The motion failed with the following votes:

Mathew Hamrick	Yes
John Harrington	No
Ethan Lindsey	Yes

The Board continued discussion, and Mr. Harrington moved to accept the contract as presented with the change to 1.6. Dr. Lindsey seconded the motion. The motion carried with the following votes:

Mathew Hamrick	Yes
John Harrington	Yes
Ethan Lindsey	Yes

f. Discussion and possible action regarding Statewide Virtual Charter School Board expenditures

Dr. Wilkinson provided the Board with information related to the SVCSB Revolving Fund Account 803 balance.

After Board discussion, Dr. Lindsey moved to return 80% of available funds to the schools based on the October Child Count. The schools would submit a report to the SVCSB within three (3) months outlining how funds were or will be used and a follow-up report submitted in twelve (12) months. Mr. Hamrick seconded the motion. The motion failed with the following votes:

Mathew Hamrick	Yes
John Harrington	No
Ethan Lindsey	Yes

After further discussion the Board asked the Executive Director, Dr. Wilkinson, to seek a time the week of September 18 for a special meeting of the Board to further discuss.

j. Discussion and possible action to certify supplemental online courses

Dr. Lisa Daniels updated the Board regarding the Oklahoma Supplemental Online Course Program and provided the Board a list of proposed courses for certification.

Mr. Harrington moved to certify the proposed courses. Dr. Lindsey seconded the motion. The motion carried with the following votes:

Mathew Hamrick	Yes
John Harrington	Yes
Ethan Lindsey	Yes

8. PUBLIC COMMENT

There were no public comments.

9. NEW BUSINESS

There was no new business.


10. ADJOURNMENT

There being no further business, Dr. Lindsey moved to adjourn the meeting at 2:54 p.m. Mr. Harrington seconded the motion. The motion carried with the following votes:

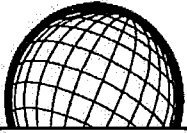
Mathew Hamrick	Yes
John Harrington	Yes
Ethan Lindsey	Yes



Mathew Hamrick, Chairman of the Board



Lynn Stickney, Secretary of the Board



OKLAHOMA STATEWIDE
virtual-charter-school-board
LEADING CHANGE. DELIVERING CHOICE.

Oklahoma Statewide Virtual Charter School Board

Oklahoma Statewide Virtual Charter School Board

Chairman:
Mathew L. Hamrick

Clerk of the Board:
John Harrington

Members:
Pamela Vreeland
Dr. Ethan Lindsey
Phyllis Shepherd

Ex-officio Members:
Melissa McLawhorn
Houston
Labor Commissioner,
Secretary of
Education and
Workforce
Development

Joy Hofmeister
State Superintendent
of Public Instruction

EPIC One on One Charter Board

Doug Scott, Chairman
Betsy Brown,
Secretary
Liberty Mitchell
Mike Cantrell
Adam Reynolds

October
2018

Source: OVCSB (via Brenda)
Purpose: Background Information

Annual Report of EPIC One on One Charter School (EPIC)

In an effort to provide transparency in its oversight practices, the Statewide Virtual Charter School Board (SVCSB) provides an annual report for each charter school it authorizes. This report is prepared by the Office of Educational Quality and Accountability under the direction of the SVCSB and includes the most recent information available for each component. The annual report seeks to provide virtual charter school stakeholders with a summary of key data in the areas of academic performance, organizational capacity, and financial responsibility.

Enrollment is the starting point for analysis. It puts in perspective the width and breadth with which other information is presented and analyzed.

Fall Enrollment 2016 – 2017 School Year

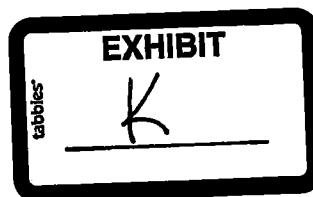
	Total	White	Black	American Indian	Asian	Two or More	Hispanic
State Total	693,482	342,398	60,763	96,590	16,245	60,890	116,596
EPIC	9,077	5,932	784	1,351	102	28	880
Elementary	3,128	2,095	310	389	40	6	288
Middle	1,871	1,231	138	283	23	6	190
High	4,078	2,606	336	679	39	16	402

Academic Performance

This section includes information from Oklahoma School Testing Program assessments given to all students, students in Special Education (with an IEP), and students that are Economically Disadvantaged. For these reports, results for full academic year (FAY) and non-full academic year (NFAY) students are shown.

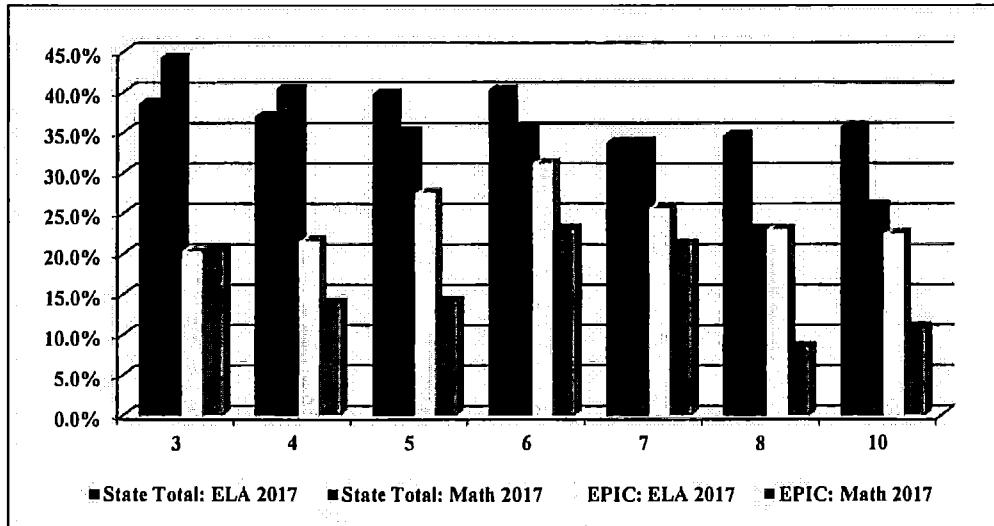
The state adopted higher performance standards in 2017. The test results are therefore not comparable to those from previous years.

The charts on the following pages give information for all student results for English Language Arts (ELA) and math for grades 3 through 8 and 10th grade for EPIC and the state. Information for Special Education (IEP) and Economically Disadvantaged subgroups is also displayed.



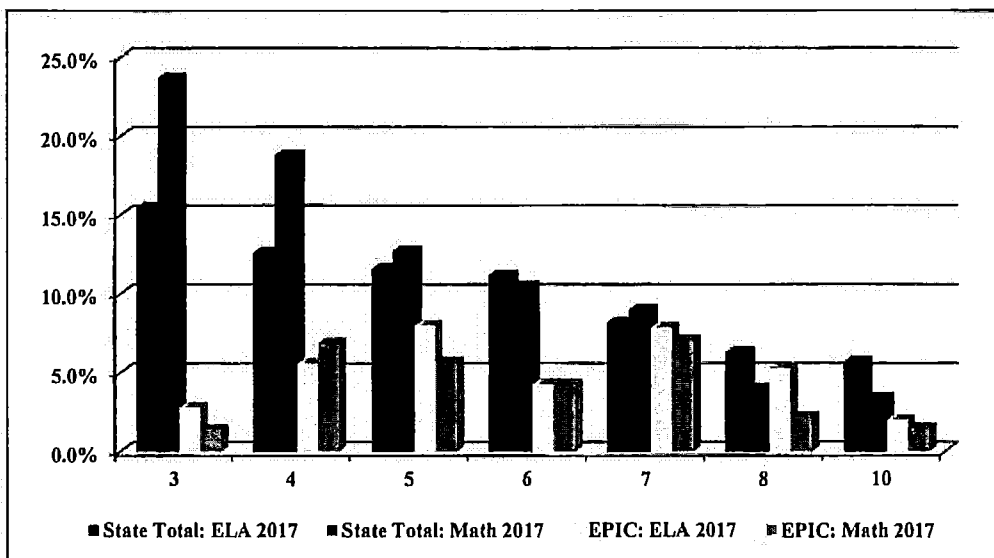
**Percent EPIC Students Scoring Proficient and Above: 2017
English Language Arts (ELA) and Math
All Students (FAY and NFAY)
With State Comparison**

	3	4	5	6	7	8	10
State Total: ELA 2017	38.6%	37.0%	39.8%	40.3%	33.7%	34.6%	35.7%
State Total: Math 2017	44.2%	40.5%	35.1%	35.4%	33.8%	23.0%	25.9%
EPIC: ELA 2017	20.4%	21.6%	27.5%	31.2%	25.7%	23.0%	22.5%
EPIC: Math 2017	20.5%	13.9%	14.2%	23.1%	21.2%	8.5%	10.9%



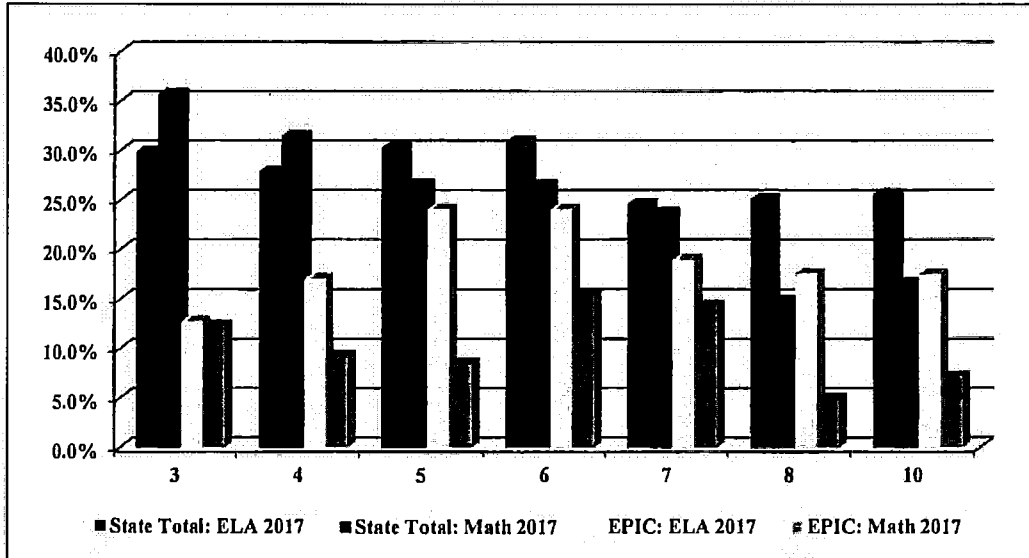
**Percent EPIC Students Scoring Proficient and Above: 2017
English Language Arts (ELA) and Math
Special Education (IEP) Students (FAY and NFAY)
With State Comparison**

	3	4	5	6	7	8	10
State Total: ELA 2017	15.5%	12.6%	11.6%	11.2%	8.2%	6.3%	5.7%
State Total: Math 2017	23.7%	18.8%	12.7%	10.5%	9.0%	4.0%	3.4%
EPIC: ELA 2017	2.8%	5.6%	8.0%	4.3%	7.9%	5.3%	2.0%
EPIC: Math 2017	1.4%	6.9%	5.7%	4.3%	7.1%	2.2%	1.5%



**Percent EPIC Students Scoring Proficient and Above: 2017
English Language Arts (ELA) and Math
Economically Disadvantaged Students (FAY and NFAY)
With State Comparison**

	3	4	5	6	7	8	10
State Total: ELA 2017	29.9%	27.9%	30.3%	30.9%	24.6%	25.1%	25.6%
State Total: Math 2017	35.7%	31.5%	26.6%	26.5%	23.7%	14.8%	16.7%
EPIC: ELA 2017	12.8%	17.1%	24.1%	24.1%	19.0%	17.6%	17.5%
EPIC: Math 2017	12.4%	9.3%	8.5%	15.6%	14.4%	5.0%	7.2%



Based on highest score, EPIC students from the Graduating Class of 2017 averaged a composite score of 21.2 on the ACT compared to a composite score of 19.5 from the Oklahoma Graduating Class of 2017 with 152 EPIC students participating.

The on-time graduation rate for the EPIC Graduating Class of 2017 is 36% compared to Oklahoma's graduation rate of 83%. EPIC's 2016 graduation rate was 27% compared to the Oklahoma graduation rate of 82%. In 2015, EPIC's graduation rate was 25% compared to a state rate of 83%.

An additional indicator of academic performance and career and college readiness is the college remediation rate. The chart below indicates the three-year average remediation rate of high school graduating classes 2014 through 2016 for Oklahoma and EPIC students. This rate includes college freshmen taking at least one remedial course in math, English, science, or reading.

	Oklahoma	EPIC
Percentage taking at least one remedial course	39.9%	41.7%

A three-year percentile academic ranking (2014-2016) indicated EPIC school sites do not fall within the bottom 5% of all school sites as ranked by the Oklahoma State Department of Education (OSDE). This ranking is not available for the 2016-2017 school year.

Organizational Performance

During the 2017-2018 school year, EPIC received accreditation with no findings of deficiency from the OSDE.

EPIC's governing board maintained stability in membership, meeting regularly. Compliance with the Open Meeting Act was observed in records and in meetings attended.


EPIC appears to have maintained records of compliance through the year with the reporting requirements of the OSDE and the SVCSB.

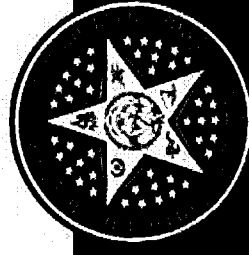
During the spring of 2017, the SVCSB, in partnership with the OSDE Special Education Division, examined the special education programs of the schools. In the OSDE Special Education Services Compliance Report, based on a site review conducted on February 6, 2017, EPIC had no findings of noncompliance regarding the administrative records or the use of IDEA funds. Six (6) areas and four (4) additional areas of comment requiring corrective actions and improvement were identified and corrective action plans were required by EPIC. The OSDE confirms Corrective Action Plan requirements have been completed and considered closed at this time. EPIC's 2017-2018 special education enrollment was 16.27% of the school's student population compared to Oklahoma's special education enrollment of 16.13%.

Financial Performance

During the 2016-2017 school year, EPIC's financial audit was conducted by CBEW Professional Group, L. L. P. The audit had no findings of significant deficiency or material weaknesses noted. In the spring 2018, additional information regarding the EPIC Learning Fund internal management procedures and audit findings was requested by the SVCSB and received from the school and CBEW. No concerns regarding Learning Fund management were noted.

Fiscal Year 2018 EPIC Funding	
State Aid	\$40,626,860.43
Federal Funds	\$3,680,997.27

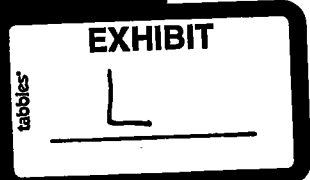
	<p>Office of Educational Quality and Accountability 840 Research Parkway, Suite 455 Oklahoma City, OK 73104 Phone: (405) 522-5399 Fax: (405) 525-0373 Web Site: www.oeqa.ok.gov E-mail: info@oeqa.ok.gov</p>
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EPIC CHARTER SCHOOLS

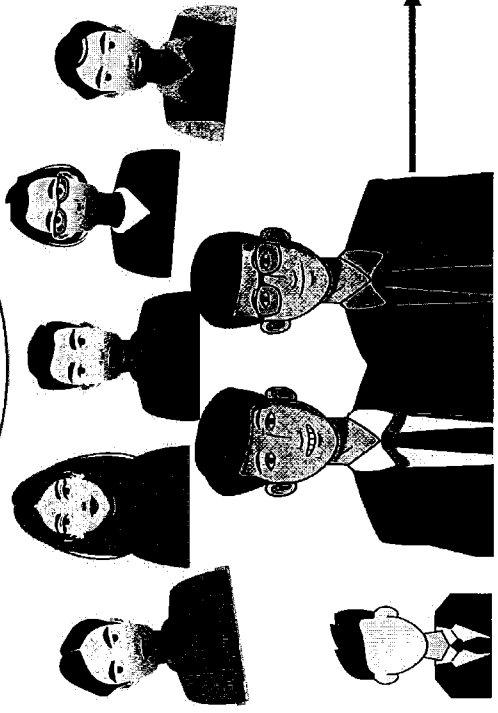
Special Investigative Audit

Cindy Byrd, CPA
State Auditor & Inspector

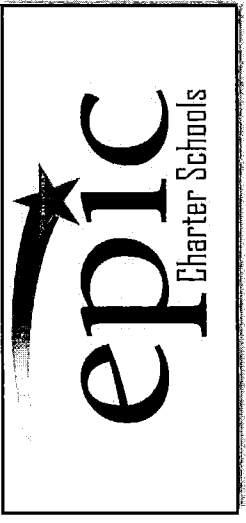


SCHOOL BOARD

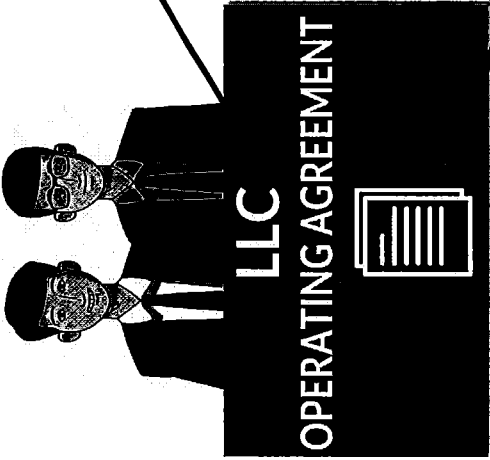
COMMUNITY STRATEGIES INC.
NONPROFIT 501(C)(3)



SCHOOL DISTRICT



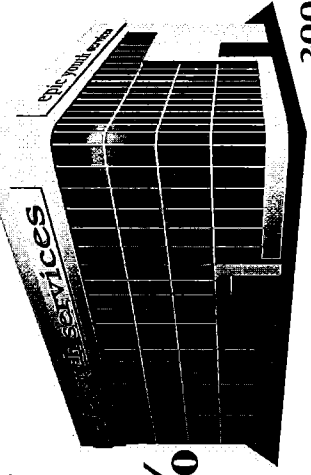
2011; 2017



PRIVATE

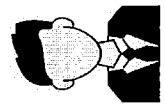
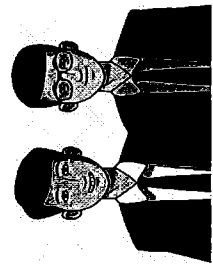
EPIC YOUTH SERVICES, LLC

EYS-EMO



10%

2005
For-Profit Management Company



\$1000
per student count



OKLAHOMA

State Courts Network

The information on this page is NOT an official record. Do not rely on the correctness or completeness of this information. Verify all information with the official record keeper. The information contained in this report is provided in compliance with the Oklahoma Open Records Act, 51 O.S. 24A.1. Use of this information is governed by this act, as well as other applicable state and federal laws.

IN THE DISTRICT COURT IN AND FOR OKLAHOMA COUNTY, OKLAHOMA

STATE OF OKLAHMA, EX REL.,
OFFICE OF STATE
AUDITOR AND INSPECTOR
Plaintiff,
v.

EPIC YOUTH SERVICES, LLC
Defendant.

No. CV-2020-554
(Civil Misc.: OTHER - CIVIL NO DAMAGES
<..DESCRIPTION..>)

Filed: 03/05/2020

Judge: Mai, Natalie

PARTIES

Epic Youth Services, LLC, Defendant
Office Of State Auditor And Inspector, Plaintiff

ATTORNEYS

Attorney

Balzer, Sandra J (Bar #20618)
Assistant Attorney General
Attorney General's Office
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OKLAHOMA CITY, OK 73102

Edwards, John H (Bar #20686)
201 ROBERT S KERR AVE SUITE 1600
OKC, OK 73102

Represented Parties

Office Of State Auditor And Inspector,

Office Of State Auditor And Inspector,

Office Of State Auditor And Inspector,



Attorney

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324 N. ROBINSON
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KIEFNER, LAUREN (Bar #33936)
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OKLAHOMA CITY, OK 73102

LAUDERDALE, MICHAEL F (Bar #14265)
MCAFEE & TAFT A PROFESSIONAL CORP 10TH FLOOR
TWO LEADERSHIP SQUARE
211 N. ROBINSON AVENUE
OKC, OK 73102

Represented Parties

Epic Youth Services, LLC,

Office Of State Auditor And Inspector,

Office Of State Auditor And Inspector,

Epic Youth Services, LLC,

Epic Youth Services, LLC,

EVENTS

Event	Party	Docket	Reporter
Friday, May 29, 2020 at 10:00 AM MOTION FOR AN ORDER COMPELLING COMPLIANCE WITH AN ADMINISTRATIVE SUBPOENA-STRICKEN		Natalie Mai	
Wednesday, June 17, 2020 at 10:00 AM STATE CHAMBER OF OKLAHOMA'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF		Natalie Mai	
Thursday, July 30, 2020 at 11:00 AM STATUS CONFERENCE		Natalie Mai	
Wednesday, August 5, 2020 at 9:00 AM PETITIONER STATE AUDITOR AND INSPECTOR'S RESPONSE TO THE STATE CHAMBER OF COMMERCE'S AMICUS CURIAE BRIEF-STRICKEN		Natalie Mai	
Tuesday, September 8, 2020 at 2:00 PM HEARING ON AMICUS BRIEFS		Natalie Mai	
Wednesday, December 16, 2020 at 9:00 AM HEARING-STRICKEN		Natalie Mai	

ISSUES


For cases filed before 1/1/2000, ancillary issues may not appear except in the docket.





















Issue # 1. Issue: OTHER - CIVIL NO DAMAGES <..DESCRIPTION..> (OTHER1)
 Filed By: Office Of State Auditor And Inspector
 Filed Date: 03/05/2020

Party Name	Disposition Information
	Pending.

DOCKET



Date	Code	Description	Count	Party	Amount
03-05-2020	TEXT	CIVIL MISC. INITIAL FILING.	1		
03-05-2020	OTHER1	OTHER - CIVIL NO DAMAGES <..DESCRIPTION..>			
03-05-2020	DMFE	DISPUTE MEDIATION FEE			\$ 7.00
03-05-2020	PFE1	PETITION			\$ 85.00
03-05-2020	PFE7	LAW LIBRARY FEE			\$ 6.00
03-05-2020	OCISR	OKLAHOMA COURT INFORMATION SYSTEM REVOLVING FUND			\$ 25.00
03-05-2020	OCJC	OKLAHOMA COUNCIL ON JUDICIAL COMPLAINTS REVOLVING FUND			\$ 1.55
03-05-2020	OCASA	OKLAHOMA COURT APPOINTED SPECIAL ADVOCATES			\$ 5.00
03-05-2020	SSFCHSCPC	SHERIFF'S SERVICE FEE FOR COURTHOUSE SECURITY PER BOARD OF COUNTY COMMISSIONER			\$ 10.00
03-05-2020	CCADMINCSF	COURT CLERK ADMINISTRATIVE FEE ON COURTHOUSE SECURITY PER BOARD OF COUNTY COMMISSIONER			\$ 1.00
03-05-2020	CCADMIN0155	COURT CLERK ADMINISTRATIVE FEE ON \$1.55 COLLECTION			\$ 0.16
03-05-2020	SJFIS	STATE JUDICIAL REVOLVING FUND - INTERPRETER AND TRANSLATOR SERVICES			\$ 0.45
03-05-2020	DCADMIN155	DISTRICT COURT ADMINISTRATIVE FEE ON \$1.55 COLLECTIONS			\$ 0.23
03-05-2020	DCADMIN05	DISTRICT COURT ADMINISTRATIVE FEE ON \$5 COLLECTIONS			\$ 0.75
03-05-2020	DCADMINCSF	DISTRICT COURT ADMINISTRATIVE FEE ON COURTHOUSE SECURITY PER BOARD OF COUNTY COMMISSIONER			\$ 1.50
03-05-2020	CCRMPF	COURT CLERK'S RECORDS MANAGEMENT AND PRESERVATION FEE			\$ 10.00
03-05-2020	CCADMIN04	COURT CLERK ADMINISTRATIVE FEE ON COLLECTIONS			\$ 0.50

Date	Code	Description	Count	Party	Amount
03-05-2020	EAA	ENTRY OF APPEARANCE Document Available (#1045394497)  			
03-05-2020	EAA	ENTRY OF APPEARANCE Document Available (#1045394493)  			
03-05-2020	P	MOTION FOR AN ORDER COMPELLING COMPLIANCE WITH AN ADMINISTRATIVE SUBPOENA Document Available (#1046327168)  			
03-05-2020	TEXT	OCIS HAS AUTOMATICALLY ASSIGNED JUDGE ANDREWS, DON TO THIS CASE.			
03-19-2020	TO	CIVIL DOCKET TRANSFER ORDER Document Available (#1046451288)  			
05-04-2020	EAA	ENTRY OF APPEARANCE ATTORNEY FOR RESPONDENT Document Available (#1046614503)  			
05-20-2020	APLI	STATE CHAMBER OF OKLAHOMA'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF Document Available (#1046212450)  			
05-22-2020	RESP	RESPONDENT EPIC YOUTH SERVICES LLC'S RESPONSE IN OPPOSITION TO PETITIONER'S MOTION FOR AN ORDER COMPELLING COMPLIANCE WITH AN ADMINISTRATIVE SUBPOENA Document Available (#1046204210)  			
05-22-2020	EAA	ENTRY OF APPEARANCE ATTORNEY FOR RESPONDENT EPIC YOUTH SERVICES, LLC Document Available (#1041287555)  			
05-22-2020	EAA	ENTRY OF APPEARANCE ATTORNEY FOR RESPONDENT EPIC YOUTH SERVICES, LLC Document Available (#1041287551)  			
05-22-2020	EAA	ENTRY OF APPEARANCE Document Available (#1043374236)  			
05-28-2020	CTFREE	MAI: MOTION FOR AN ORDER COMPELLING COMPLIANCE WITH AN ADMINISTRATIVE SUBPOENA-STRICKEN TO SET AT A LATER DATE			
06-04-2020	OBJ	OKLAHOMA STATE AUDITOR'S OBJECTION TO STATE CHAMBER'S MOTION FOR LEAVE TO FILE AMICUS CURIAE BRIEF IN SUPPORT Document Available (#1046360367)  			
06-10-2020	EAA	ENTRY OF APPEARANCE AMANDA EVERETT AS ASSISTANT ATTORNEY GENERAL FOR PETITIONER Document Available (#1046204448)  			

Date	Code	Description	Count Party Amount
06-12-2020	NOF	NOTICE OF FILING Document Available (#1046602484)  TIFF  PDF	
06-12-2020	T&2	ORIGINAL TRANSCRIPT & 2 COPIES OF TELEPHONIC PROCEEDINGS HAD ON THE 29TH DAY OF MAY, 2020 BEFORE THE HONORABLE NATALIE MAI / COURT REPORTER REGINA STELL	
06-12-2020	R	REPLY IN SUPPORT OF THE STATE CHAMBER OF OKLAHOMA'S MOTION FOR LEAVE TO FILE AMICUS CURIAE BRIEF Document Available (#1046204085)  TIFF  PDF	
06-17-2020	CTFREE	MAI: STATE CHAMBER OF OKLAHOMA'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF-GRANTED IN PART, DENIED IN PART-COURT REPORTER-REGINA STELL	
06-23-2020	B	PETITIONER'S SUPPLEMENTAL BRIEF REGARDING THE LEARNING FUND(S) Document Available (#1046803698)  TIFF  PDF	
06-23-2020	B	RESPONDENT EPIC YOUTH SERVICES LLC'S SUPPLEMENTAL BRIEF REGARDING THE NATURE OF THE LEARNING FUND PAYMENTS Document Available (#1046803750)  TIFF  PDF	
06-26-2020	EAA	ENTRY OF APPEARANCE WILLIAM A. JOHNSON & JOHN H. EDWARDS ON BEHALF OF PLAINTIFF Document Available (#1046836075)  TIFF  PDF	
06-26-2020	B	BRIEF OF THE OKLAHOMA STATE CHAMBER AS AMICUS CURIAE IN SUPPORT OF EPIC YOUTH SERVICES LLC Document Available (#1047150109)  TIFF  PDF	
06-30-2020	OG	ORDER GRANTING THE STATE CHAMBER OF OKLAHOMA'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF Document Available (#1047114646)  TIFF  PDF	
07-08-2020	RESP	EPIC YOUTH SERVICES LLC'S RESPONSE TO PETITIONER'S SUPPLEMENTAL BRIEF REGARDING THE LEARNING FUND Document Available (#1047155709)  TIFF  PDF	
07-08-2020	RESP	THE STATE AUDITOR'S RESPONSE TO RESPONDENT'S SUPPLEMENTAL BRIEF REGARDING THE NATURE OF THE LEARNING FUND PAYMENTS Document Available (#1046812938)  TIFF  PDF	
07-13-2020	RESP	PETITIONER STATE AUDITOR AND INSPECTOR'S RESPONSE TO THE STATE CHAMBER OF COMMERCE'S AMICUS CURIAE BRIEF Document Available (#1047096246)  TIFF  PDF	

Date	Code	Description	Count Party Amount
07-15-2020	APLI	STATEWIDE VIRTUAL CHARTER SCHOOL BOARD'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF Document Available (#1047155047)  TIFF  PDF	
07-20-2020	R	EPIC YOUTH SERVICES, LLC'S REPLY TO PETITIONER'S RESPONSE TO RESPONDENT'S SUPPLEMENTAL BREIF Document Available (#1047093954)  TIFF  PDF	
07-20-2020	R	PETITIONER'S REPLY TO RESPONSE TO SUPPLEMENTAL BRIEF Document Available (#1046210395)  TIFF  PDF	
07-21-2020	B	SUPPLEMENT TO THE STATEWIDE VIRTUAL CHARTER SCHOOL BOARD'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF Document Available (#1047094459)  TIFF  PDF	
07-30-2020	CTFREE	MAI: COMES ON FOR STATUS CONFERENCE, ALL COUNSELS FOR ALL PARTIES APPEAR BY PHONE. PETITIONER STATE AUDITOR AND INSPECTOR'S RESPONSE TO THE STATE CHAMBER OF COMMERCE'S AMICUS CURIAE BRIEF HEARING SET 8-5-20-STRICKEN ANY INTERESTED PARTY MUST FILE REQUESTS FOR AMICUS BRIEFS BY 8-7-20 HEARING ON AMICUS BRIEFS SET 9-8-20 @ 2PM COURT REPORTER-WAIVED	
07-30-2020	OBJ	EPIC YOUTH SERVICES LLC'S OBJECTION TO STATEWIDE VIRTUAL CHARTER SCHOOL BOARD'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF Document Available (#1046021838)  TIFF  PDF	
08-03-2020	O	ORDER SETTING A DEADLINE FOR APPLICATIONS TO FILE AMICUS CURIAE BRIEFS AND SETTING A HEARING TO DECIDE ALL APPLICATIONS Document Available (#1047265951)  TIFF  PDF	
08-06-2020	APLI	ROSE STATE COLLEGE'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF Document Available (#1047262690)  TIFF  PDF	
08-17-2020	RESP	STATEWIDE VIRTUAL CHARTER SCHOOL BOARD'S RESPONSE TO EYS'S OBJECTION TO SVCSB'S APPLICATION FOR LEAVE TO FILE AN AMICUS BRIEF Document Available (#1047423705)  TIFF  PDF	

Date	Code	Description	Count Party Amount
08-27-2020	B	SUPPLEMENTAL APPLICATION OF ROSE STATE COLLEGE TO FILE AN AMICUS CURIAE BRIEF IN SUPPORT OF EPIC YOUTH SERVICES LLC Document Available (#1047587601)  TIFF  PDF	
08-27-2020	RESP	PETITIONER'S RESPONSE AND OBJECTION TO ROSE STATE COLLEGE'S APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF Document Available (#1047597630)  TIFF  PDF	
09-08-2020	CTFREE	MAI: COMES ON FOR HEARING ON AMICUS BRIEFS, THE COURT HEARD ARGUEMENTS FROM THE STATEWIDE VIRTUAL CHARTER SCHOOL BOARD AND EPIC YOUTH SERVICES REGARDING THE STATE WIDE VIRTUAL CHARTER SCHOOL BOARD'S APPLCATION TO FILE AN AMICUS BRIEF. THE COURT GRANTED THE STATE WIDE VIRTUAL CHARTER SCHOOL BOARDS APPLICATION THE COURT HEARD ARGUEMENTS FROM ROSE STATE COLLEGE AND THE STATE AUDITOR AND INSPECTOR'S OFFICE REGARDING ROSE STATE'S APPLICATION TO FILE AN AMICUS BRIEF. THE COURT DENIED ROSE STATE COLLEGE'S APPLICATION/ COURT REPORTER- REGINA GARNETT	
09-08-2020	CTFREE	MAI: AGREED SCHEDULING ORDER ENTERED- PRELIMINARY LITS OF WITNESSES BY 9-9-20 BY 4PM, PRELIMINARY EXHIBIT LISTS BY 9-22-20 BY 4PM JOINDER OF ADDITIONAL PARTIES NOR AMENDMENTS TO THE PLEADINGS MAY BE FILED AFTER 10-1-20 DISCOVERY MUST BE COMPLETED BY 11-30-20 PARTIES SHALL EXCHANGE FINAL LISTS OF WITNESSES WITH A BRIEF SUMMARY OF EXPECTED TESTIMONY BY 12-2-20 BY 2PM FINAL EXHIBIT LISTS BY 12-9-20 BY 4PM EVIDENTIARY HEARING DATE SET 12-16-20 @ 9AM, EACH PARTY SHALL HAVE 1 1/2 DAYS TO PRESENT THEIR CASE	
09-08-2020	O	AGREED SCHEDULING ORDER/MAI Document Available (#1046044962)  TIFF  PDF	
09-08-2020	CTFREE	COURT MINUTE: JUDGE MAI Document Available (#1046044966)  TIFF  PDF	
09-10-2020	B	BRIEF OF THE STATEWIDE VIRTUAL CHARTER SCHOOL BOARD AS AMICUS CURIAE IN SUPPORT OF THE DISCLOSURE OF LEARNING FUND RECORDS COMBINED WITH RESPONSE BRIEF Document Available (#1047691681)  TIFF  PDF	
09-14-2020	JE	JOURNAL ENTRY Document Available (#1047608167)  TIFF  PDF	
10-12-2020	JE	JOURNAL ENTRY Document Available (#1047845858)  TIFF  PDF	

Date	Code	Description	Count Party Amount
11-20-2020	O	COURT MINUTE Document Available (#1048237024)  TIFF  PDF	