



November 8, 2021

Charter Institute at Erskine Board of Directors  
1201 Main Street, Suite 300  
Columbia, SC 29201

Dear Charter Institute at Erskine Board of Directors:

The Oceanside Collegiate Academy (“OCA”) Board of Directors (“OCA Board”) met on November 8, 2021 and voted to request a transfer of our existing charter from the Charter Institute at Erskine (the “Institute”) to the Limestone Charter Association (“Limestone”) effective July 1, 2022. The purpose of this letter is to inform you of the OCA Board’s decision and the reasoning therefore, and to request that a hearing be scheduled before the Institute Board of Directors (the “Institute Board”) to consider the OCA Board’s request, following consideration by the Limestone Board of Directors (the “Limestone Board”), which we understand will occur on November 17, 2021.

As background, we are glad to provide the Institute Board with information about our high performing charter high school located in Mount Pleasant, South Carolina. OCA opened in the fall of 2016 and serves students in grades 9-12. OCA’s mission is to offer high school students a safe and small family-like atmosphere, a rigorous curriculum, high academic standards, elite athletics, and the opportunity to earn up to two years of college credit through established dual enrollment programs. We utilize innovative class scheduling and blended learning programs to support our academic offerings. Our school provides an innovative educational model to students and families, and we have been extraordinarily successful in improving student learning and fulfilling our mission. The OCA Board, which founded and governs OCA, is firmly committed to the success of OCA and its students and families. OCA’s accomplishments include the following:

- (1) OCA’s students outperform the District and the State on End-of-Course English 1 Assessments. *Source: SC School Report Card 2021.*
- (2) OCA’s students outperform the District and the State on End-of-Course Algebra 1 Assessments. *Source: SC School Report Card 2021.*
- (3) OCA’s students outperform the District and the State on End-of-Course Biology Assessments. *Source: SC School Report Card 2021.*
- (4) OCA’s students outperform the District and the State on End-of-Course U.S. History and Constitutional Assessments. *Source: SC School Report Card 2021.*

(5) OCA's students have a 100% pass rate on the High School Civics Exam. *Source: SC School Report Card 2021.*

(6) OCA graduates 98.8% of its students on-time, which significantly exceeds on-time graduation rates for the District (80.4%) and the State (83.3%). *Source: SC School Report Card 2021.*

(7) OCA's students collectively earn thousands of college credit hours each year.

(8) OCA's students have collectively earned tens of millions of dollars in college academic and athletic scholarships.

(9) OCA's athletic teams have competed for and won South Carolina High School League State Championships in girls golf, boys lacrosse, boys soccer, girls soccer, girls swimming, girls tennis, boys tennis, and girls volleyball.

(10) OCA has received clean annual audits from an independent CPA audit firm for several consecutive years.

(11) OCA has qualified for and received bond financing through the South Carolina Jobs- Economic Development Authority with the Governor's Certificate of Approval.

(12) OCA has accumulated a healthy general fund balance and is in excellent financial condition.

These outstanding results produced from the OCA Board's vision and steadfast commitment to excellence for many years and the continuous efforts of OCA's staff speak for themselves.

### **REASONS FOR TRANSFER**

The primary reasons the OCA Board desires to establish a relationship with Limestone as its sponsor are as follows:

#### **(1) Limestone's Leaders.**

Limestone University's President, Dr. Darrell Parker, and Limestone's Superintendent, Ms. Angel Malone, have dedicated their lives to positively influencing students and improving education in South Carolina, and the OCA Board trusts them and looks forward to serving South Carolina families in cooperation with them. Prior to serving as the President of Limestone University, Dr. Parker served as the Dean and Professor of Economics for the College of Business at Western Carolina University and the Dean of the College of Business and Economics at the University of South Carolina Upstate. Dr. Parker has successfully led higher

education initiatives for years and understands the support and guidance OCA's high school students need to be successful in college. Additionally, Limestone University has offered OCA the opportunity to participate in Limestone University's Dual Enrollment Program, which is intended to complement the high school experience and provide personal enrichment by allowing students to begin exploring new subject areas and earn college credit. Dr. Parker's vast experience as a leader in higher education and Limestone's established dual credit program are a perfect fit for OCA's high-performing charter high school students that choose OCA, in part, to participate in dual enrollment programs and engage in college coursework.

The Superintendent of Limestone, Ms. Angel Malone, has been a leader in public education in South Carolina for 21 years. As the Director of Career and Technical Education for the South Carolina Department of Education, Ms. Malone has overseen all secondary and post-secondary Career and Technology Education programs and has managed a budget of over \$60,000,000.00. Prior to working with the South Carolina Department of Education, Ms. Malone founded and served as the Principal of the Orangeburg High School for Health Professions, an acclaimed charter high school focused on students interested in pursuing careers in the healthcare industry. Ms. Malone's experience founding and leading a very successful South Carolina charter high school gives her extraordinary insight on how a charter school can achieve and maintain success, overcome challenges, and positively impact the lives of South Carolina students.

Not only have Dr. Parker and Ms. Malone each dedicated their lives and careers to education and achieved extraordinary results working directly with South Carolina students, they are both professional, honest, kind, and genuine people. They have demonstrated that they have no ulterior agenda or motive, other than directly working with and serving students, which they have done with a hands-on approach for over 50 years combined.

## **(2) Limestone's Philosophy.**

Limestone has pledged to charter schools that mutually agree to enter into a relationship with them that Limestone will (a) ensure that each charter school retains autonomy to govern its school in accordance with applicable law, (b) effectively communicate and collaborate with each charter school, and (c) employ personnel who behave themselves in a professional and honest manner. Recognizing each school's unique mission and vision while honoring each school's autonomy, communicating directly and truthfully with schools, and displaying professional and honest behavior are critical to establishing a strong and successful relationship between a charter school and a sponsor. The OCA Board strongly agrees with Limestone's core philosophical values and approach to sponsorship.

## **(3) Lack of Interest in OCA by the Institute Board.**

The Institute Board has been uninterested in establishing a relationship with our school. The OCA Board is comprised of volunteers who have founded and overseen the establishment of one of the most successful charter schools in the State of South Carolina. Despite our school's many successes, the Institute Board has not expressed interest in our school. No one

from the Institute Board has ever visited OCA, attended an OCA Board meeting, or contacted OCA to congratulate our school on any of its achievements.

Conversely, the OCA Board of Directors has taken the time on several occasions to craft and send detailed correspondence to the Institute Board and the Erskine College Board of Trustees (the “Erskine Board”), both to introduce our school to the Institute Board and the Erskine Board and to request that the Institute Board hear from our volunteer board members about issues that are critical to our school’s success and well-being, including the resolution of unprofessional and dishonest conduct by the Institute’s Superintendent, as discussed in more detail below. Further, the OCA Board’s volunteer members have continuously expressed their willingness to travel to Due West, South Carolina to meet with the Institute Board at its regular meetings. For example, the OCA Board sent detailed written correspondence to the Institute Board on December 2, 2020, respectfully requesting to meet with the Institute Board. (**Exhibit 1**, Email from Arnsdorff to Gustafson dated December 2, 2020.) The Institute Board did not respond to us. The OCA Board sent detailed written correspondence to the Erskine Board on December 10, 2020, requesting a meeting with the Institute Board. (**Exhibit 2**, Letter from Arnsdorff to Davis dated December 10, 2020.) The Erskine Board did not respond to us. The OCA Board, through legal counsel, sent detailed written correspondence to the Institute Board on August 30, 2021, respectfully requesting to be heard on several critical issues. (**Exhibit 3**, OCA Appeal Letter to Institute Board dated August 30, 2021.) The Institute Board did not respond to us. OCA’s Board Chair sent an email to the Institute’s Board Chair on September 8, 2021. (**Exhibit 4**, Email from Arnsdorff to Hellams dated September 8, 2021.) The Institute’s Board Chair did not respond. The OCA Board sent another detailed letter to the Institute Board through legal counsel on October 6, 2021, respectfully requesting to be heard by the Institute Board on several critical issues. (**Exhibit 5**, Letter dated October 6, 2021.) The Institute Board Chair finally sent a one-sentence response to the OCA Board directing OCA away from the Institute Board and back to the Institute’s administration and declining to grant the OCA Board’s request to be heard, which was initially made 37 days prior to the Institute Board Chair’s response. (**Exhibit 6**, Email from Hellams to Arnsdorff dated October 6, 2021.)

Moreover, upon reviewing the Institute Board’s meeting minutes, the OCA Board believes the Institute Board’s unwillingness to engage in important charter school issues and the Institute Board’s delegation of its duties to the Institute’s administration might be a systemic issue. For example, on April 14, 2018, the Institute’s CEO/Superintendent, Mr. Runyan, proposed a resolution to the Institute Board that would authorize himself “to conduct the business of the Charter Institute at Erskine by entering into and executing signature contracts, obligations, or other documents which are required for conducting the business of the Charter Institute at Erskine.” In other words, Superintendent Runyan was proposing to the Institute Board that it broadly delegate its authority to negotiate, approve, and execute contracts and incur obligations with public funds to Superintendent Runyan. Superintendent Runyan’s friend and the Institute Board’s legal counsel, Mr. James Galyean, was present as the proposed resolution was read by Superintendent Runyan, and Mr. Galyean explained the resolution to the Institute Board. Mr. Galyean now owns and/or works with an educational management organization (EMO) that has a contractual relationship with several schools sponsored by the Institute and overseen by Superintendent Runyan. The Institute Board’s Treasurer, Mr. Martin O’Connor, moved to approve the proposed resolution

broadly delegating the Institute Board's authority to negotiate, approve, and execute contracts and incur liabilities with public funds to Superintendent Runyan, and the Institute Board unanimously passed the motion. (**Exhibit 7**, Institute Board's meeting minutes dated April 14, 2018.)

The preceding paragraphs succinctly summarize the totality of communications between the OCA Board and the Institute Board during the term of our contractual relationship and provide a key example of the Institute Board's lack of engagement in and oversight of important charter school matters. Not only has the Institute Board shown complete disinterest in our school, but the Institute Board has repeatedly ignored our correspondence and refused to meet with us to discuss important issues impacting our school, our families, and our students. In contrast, Limestone representatives have expressed more interest in OCA in the last several weeks than the Institute Board has in the last several years. The OCA Board strongly desires to engage in a partnership with the Limestone Board of Directors (the "Limestone Board"), who have pledged to effectively communicate and collaborate with us on issues impacting our school.

#### **(4) Unprofessional and Dishonest Conduct by the Institute's Superintendent.**

The Institute's Superintendent acted maliciously, illegally, unprofessionally, and dishonestly in connection with an investigation of anonymous allegations of "suspected fraudulent and corrupt conduct" related to OCA. After 18 months of investigation, the Institute's administration has now confirmed that there is no evidence to support the anonymous allegations of fraudulent or corrupt conduct that gave rise to the investigation. However, the Institute's administration made unsubstantiated and erroneous findings, which we appealed to the Institute Board. The OCA Board's position on the Institute administration's unsubstantiated findings is set forth in detail in OCA's appeal letters dated August 30, 2021, and November 8, 2021. (*See Exhibit 3* and separate letter sent to the Institute Board dated November 8, 2021.) In response to our appeal, the Institute Board denied due process and an appeal hearing to the OCA Board. Although the OCA Board strongly disagrees with the Institute administration's unsubstantiated findings on appeal, the OCA Board's decision to transfer is not based on the unsubstantiated findings themselves, but rather on the Institute Superintendent's pre-meditated, malicious, illegal, unprofessional, and dishonest conduct over the last year, as explained herein.

The Institute's administration initiated an investigation of OCA's management organization, Pinnacle Charter Schools Management Group ("Pinnacle"), in the late Spring of 2020.<sup>1</sup> Prior to sending an initial request for documents to the OCA Board or receiving responses from us, the Institute's administration sent our Board several threatening letters accusing Pinnacle of "suspected corrupt or fraudulent conduct" and concluding that our Board failed to exercise appropriate oversight of our school and neglected our fiduciary duties (**Exhibit 8**, for example, Email from Timmons to OCA Board dated August 13, 2020, and **Exhibit 9**, Email and letter from Timmons to OCA Board Chair dated October 6, 2020). The communications from the Institute's administration were inaccurate and defamatory, and the OCA Board expressed its concern with

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<sup>1</sup> As background, OCA has worked with Pinnacle since OCA's founding, and OCA's relationship and contract with Pinnacle were provided to and approved by the Institute Board with OCA's charter application. Pinnacle has been a key component in OCA's tremendous success. Pinnacle has also helped establish two other very successful South Carolina charter schools.

the Institute's administration reaching conclusions before performing an investigation or requesting documents from our Board, which the Institute Administration eventually did for the first time on October 28, 2020. Specifically, our Board was concerned that the Institute's administration reached its conclusion first and then set out to determine the facts.

Volunteer OCA Board members arranged to travel to Columbia to meet with the Institute's administration to discuss these issues at the Institute's office on August 31, 2020. However, the Institute's administration canceled the meeting, promised to send dates to reschedule, and then never rescheduled (**Exhibit 10**, Email from Timmons dated August 28, 2020).

In October 2020, Pinnacle filed a lawsuit against the Institute's administration. The OCA Board was not a party to the lawsuit, and the OCA Board continued to attempt to work with the Institute's administration in good faith, despite the OCA Board being subjected to defamatory and unprofessional conduct from the Institute's administration. In response to the Institute administration's requests for documents, OCA provided substantial and timely responses to the Institute's administration in December 2020 and May 2021, which included thousands of documents related to the OCA Board's operations and finances over several years. The OCA Board also sent the Institute's administration many letters, some through legal counsel, in 2020 and 2021 to answer questions and provide information about OCA's operations and finances. (**Exhibit 11**, for example, letters from OCA's counsel to the Institute's counsel dated August 19, 2020, August 24, 2020, November 13, 2020, May 14, 2021, July 8, 2021, July 8, 2021, and August 16, 2021.)

On June 14, 2021, the Institute's Superintendent, Cameron Runyan, sent a defamatory email to the OCA Board Chair copying the Governor, Lieutenant Governor, State Superintendent of Education, and 26 Legislators in which Superintendent Runyan misconstrued a voluntary agreement between OCA and Pinnacle and falsely accused OCA of "approximately \$1,000,000 in misspent state funds." (**Exhibit 12**, Email from Runyan dated June 14, 2021.) Shortly thereafter, on July 13, 2021, Superintendent Runyan sent another false and defamatory email to the same group of high-ranking public officials referencing "the issuance of a forensic audit" at OCA and stating that there were "\$1,825,555.15 in questioned costs" at OCA, when in fact no forensic audit had ever been conducted at OCA and our Board has answered all questions received related to the school's operations and finances. (**Exhibit 13**, Email from Runyan dated July 13, 2021.) Throughout the ongoing 18-month investigation, as the OCA Board provided information to and answered questions from the Institute's administration, the Institute administration's false allegations changed from "suspected fraudulent and corrupt conduct" by Pinnacle, to "\$1,000,000 in misspent state funds," to "\$1,825,555.15 in questioned costs," to "violations of EB-5 laws being investigated by state and federal agencies." None of these allegations were truthful or accurate, and the OCA Board continuously provided the Institute's administration with information and documents to show OCA's compliance with applicable law.

Perhaps the most disappointing example of the Institute administration's unprofessional and dishonest conduct is Superintendent Runyan's pre-meditated conspiracy with a convicted felon (the "Co-Conspirator") in which Superintendent Runyan provided false and defamatory information to OCA parents in an attempt to get OCA parents to pressure our Board

into accepting unsubstantiated findings and an associated “corrective action plan” or alternatively remove OCA Board members from their public offices. Superintendent Runyan’s Co-Conspirator represents himself on social media as an alumnus of Erskine College. According to records from the Charleston County Clerk of Court, in October 2015, the Co-Conspirator and Erskine College alumni pled guilty to “Breach of trust with fraudulent intent, value of \$10,000 or more,” which is a felony under South Carolina law. S.C. Code Ann. § 16-1-90(E) and S.C. Code Ann. § 16-13-230(B)(3). (**Exhibit 14**, Charleston County Public Index Case Details and Inmate Report with mug shot). Prior to pleading guilty, Superintendent Runyan’s Co-Conspirator signed a personal recognizance bond in the amount of \$50,000.00, according to court records. (*See Exhibit 14.*)

In or around August 2021, Superintendent Runyan began communicating directly with his Co-Conspirator, who is the parent of a student at OCA, to design and carry out a plan to pressure the OCA Board into accepting false findings and an associated “corrective action plan” or alternatively remove OCA Board members from their offices. Specifically, Superintendent Runyan and his Co-Conspirator conspired to use false information to turn OCA’s parents against the OCA Board. On August 13, 2021, Superintendent Runyan was pictured and quoted in an article in the Post & Courier threatening to close OCA, which immediately drew the attention of OCA’s parents. (**Exhibit 15**, Post & Courier Article dated August 13, 2021.) Superintendent Runyan did not contact the OCA Board in advance of the article being published to discuss the article or his forthcoming public threats to close our high-performing charter school. Around the same time, on August 15, 2021, the Co-Conspirator posted on social media that he created an OCA Parents Facebook Page “[i]n light of recent developments at the school.” (**Exhibit 16**, OCA Parents Facebook Page post, redacted, dated August 15, 2021.) Superintendent Runyan joined his Co-Conspirator’s OCA Parents Facebook Page, even though Superintendent Runyan is not an OCA Parent. (**Exhibit 17**, OCA Parents Facebook Page post.) On August 15, 2021, the Co-Conspirator encouraged parents on the OCA Parents Facebook Page to “build up this group with as many parents as possible so we can effect the plan when ready.” (**Exhibit 18**, OCA Parents Facebook Page post, redacted, dated August 15, 2021.)

On August 16, 2021, at 4:26 p.m., the OCA Board submitted a very detailed 13-page letter to the Institute’s administration answering questions the OCA Board previously received from the Institute’s administration. (*See Exhibit 11.*) The OCA Board attached hundreds of documents to its letter related to OCA’s operations and finances over several years to support the answers provided by the OCA Board in the letter.

At 7:25 a.m. the next morning, on August 17, 2021, Superintendent Runyan’s Co-Conspirator posted on the OCA Parents Facebook Page:

I’ve been told the response was not satisfactory. Parental involvement will be required to help save the school! Please share this group to all OCA parents.

(**Exhibit 19**, OCA Parents Facebook Page post, redacted, dated August 17, 2021.) Another OCA parent (the “Parent”) questioned how Superintendent Runyan’s Co-Conspirator knew by 7:25 a.m. the next morning, hours after the OCA Board submitted a detailed 13 page

letter and hundreds of documents to the Institute's administration, that OCA's response was not satisfactory. The following exchange occurred on the OCA Parents Facebook Page:

The Co-Conspirator: "I had an after hours zoom with them which is how I knew."

Parent: "Who did you zoom with?"

The Co-Conspirator: "The Charter Institute at Erskine."

Parent: "who exactly at Erskine?"

The Co-Conspirator: "The Superintendent and two staff members. I posted an email in a previous post, they are open to hearing from parents."

(**Exhibit 20**, OCA Parents Facebook Page post, redacted, dated August 18, 2021.)

As opposed to receiving and reviewing the OCA Board's detailed 13-page letter and the hundreds of documents regarding OCA's operations and finances over several years, and then communicating directly with the OCA Board as necessary with any questions, Superintendent Runyan held a video conference with his Co-Conspirator minutes or hours after OCA submitted its letter and hundreds of documents in the late afternoon on August 16, 2021. Following the Zoom meeting between Superintendent Runyan and his Co-Conspirator, the Co-Conspirator announced to OCA Parents that the OCA Board's response was unsatisfactory and parental involvement was needed to save the school.

The next day, on August 18, 2021, the Co-Conspirator posted on the OCA Parents Facebook Page: "Would you be interested in attending a zoom Town Hall Meeting hosted by the Charter Institute at Erskine." (**Exhibit 21**, OCA Parents Facebook Page post, redacted, dated August 18, 2021.) The Co-Conspirator and Superintendent Runyan then coordinated the scheduling of a "Town Hall Meeting" between the Institute and OCA parents on August 23, 2021. The OCA Board was not invited to the "Town Hall Meeting" organized by Superintendent Runyan and his Co-Conspirator. At the "Town Hall Meeting," Superintendent Runyan and his staff provided false information about the OCA Board to OCA parents. As a few examples, Superintendent Runyan made the following false and defamatory statements to OCA Parents regarding OCA and the OCA Board, which have been captured on video:

"We have yet to receive any documents from them at this time after one year of requesting documents from this school and from this board." (Video Recording of Town Hall Meeting at 31:18.)

"We have not received any documentation, we have nothing. Nothing in writing to substantiate what has been claimed even though we have been asking for many, many years." (Video Recording of Town Hall at 53:47.)



“OCA violated its charter by failing to provide underserved communities equal access to its programming.” (**Exhibit 22**, Slide 26 from Town Hall Presentation.)

“For the past three years, we have been communicating with the school and more intensely in the past year and they have yet to implement or at least provide documentation to us which I assume they will do since they are under breach for it, provide any documentation that they have attempted to increase the minority enrollment with any sort of plan, activity, or action for the past three years.” (Video Recording of Town Hall Meeting at 1:16:59.)

“OCA violated its charter by employing faculty and staff through a for-profit limited partnership set up to gain US Citizenship for Pinnacle’s Chinese Investors (EB-5 program).” (*See Exhibit 22.*)

During Superintendent Runyan’s false and defamatory presentation, Superintendent Runyan encouraged OCA parents to pressure the OCA Board into accepting the false findings made by the Institute’s administration and an associated “Corrective Action Plan.” Superintendent Runyan then delivered his proposed final remedy to the OCA parents, most of whom were very concerned after Superintendent Runyan’s public threats in the Post & Courier to close the school and did not know they were being provided with false information and manipulated by Superintendent Runyan:

“If all that fails, if they won’t abide by the Corrective Action Plan, if they won’t be transparent with you, if they won’t do the things that they’re supposed to do, they’re required to do under the law...and that you deserve them to do and your children deserve them to do, there is a last option. If they continue to fail in their fiduciary responsibilities and to place this school at risk of closure, it is well within your authority to organize as parents, to write the Governor of the State of South Carolina and request that he exercise his statutory authority and remove these Board members. (Video Recording of Town Hall Meeting at 1:07:10.)

Superintendent Runyan’s pre-mediated and malicious conduct in conspiring with a convicted felon, lying to OCA parents, damaging our Board’s reputation and community relationships, and attempting to remove OCA Board members from their offices is inappropriate, aggressive overreaching, and completely unfitting for a K-12 public school educator in our State. Our Board was not only shocked and hurt by Superintendent Runyan’s reprehensible, unprofessional, and dishonest conduct, but we also sincerely question if such an individual should hold a leadership position in K-12 education in South Carolina. Because of Superintendent Runyan’s conduct, the OCA Board has absolutely no desire to work with Superintendent Runyan in any capacity moving forward. Superintendent Runyan’s conduct has also delayed our third-party auditor’s release of OCA’s most recent annual audit and wasted significant taxpayer dollars.

**(5) The Institute has been Dishonest with the IRS and Jeopardized OCA's Funding.**

We were shocked to recently discover that the Institute's administration has been breaking legal affirmations made to the Internal Revenue Service ("IRS") and conducting unauthorized lobbying activities, thereby jeopardizing the tax exemption on the Institute's claimed revenue and presenting other significant legal issues. As an organization that has been declared a public charity and granted a federal tax exemption on its revenue pursuant to Section 501(c)(3) of the Internal Revenue Code, the Institute is required to file a Form 990 tax return with the IRS each year. The Form 990 Tax Return asks the following question:

"Did the organization engage in lobbying activities, or have a Section 501(h) election in effect during the tax year?"

According to the Charter Institute at Erskine's publicly available Form 990s, the Institute answered "No" to that question each year, which is perfectly acceptable so long as the Institute's actions match the legal affirmations made to the IRS. (**Exhibit 23**, Institute's Form 990s filed with the IRS.) However, Superintendent Runyan has been using his broadly delegated authority from the Institute Board to establish contractual relationships with several lobbyists and oversee lobbying activities on behalf of the Institute. Specifically, the Institute is registered as the Lobbyist's Principal on the South Carolina Ethics Commission Public Disclosure and Accountability Reporting System for four lobbyists: Jason J. Puhlasky, Lander Hiott, Vicki Parker, and Edwin D. Givens. (**Exhibit 24**, Institute's State Ethics Commission Lobbyist's Principal Registrations from 2018-2021.) Since 2018, the Charter Institute at Erskine has disclosed in filings with the South Carolina Ethics Commission that it made payments to lobbyists totaling Two Hundred Eighty-Three Thousand Five Hundred Dollars, \$283,500.00. (**Exhibit 25**, Institute's 2018-2021 Disclosures to State Ethics Commission.) Superintendent Runyan is listed as the contact person for the Charter Institute at Erskine on the South Carolina Ethics Commission Public Disclosure and Accountability Reporting System. (**Exhibit 26**, SC Ethics Commission Lobbyist's Principal's Report)

Perhaps most concerning to the OCA Board is that it appears the Institute claimed not only its own revenue on its Form 990s, but also revenue allocated by the State Legislature for the benefit of charter schools sponsored by the Institute, such as OCA. Accordingly, the Institute's actions violating its legal affirmations to the IRS and expenditures of at least hundreds of thousands of dollars on unauthorized lobbying activities place not only the Institute's tax-exempt revenue at risk, but also jeopardize OCA's revenue, which it appears the Institute has claimed on its Form 990s as its own revenue. The OCA Board does not want to be associated in any way with the Institute making false statements to the IRS, conducting impermissible lobbying activities, or jeopardizing tax-exempt revenue.

**CONCLUSION**

This letter summarizes the primary reasons why our Board desires to transfer our charter from the Institute to Limestone. On October 4, 2021, we received notice from

Superintendent Runyan that the Institute Board passed a transfer out policy in mid-August 2021 attempting to impose a deadline of September 1, 2021 on schools to request a transfer of an existing charter to a different sponsor. Our Board has taken time to meet Dr. Parker and Superintendent Malone, learn about their professional and personal backgrounds, and understand their values and philosophies before requesting a transfer of our charter to Limestone. Pursuant to Section 12.5 of the charter contract between our Board and the Institute, to terminate the charter contract before the end of the contract term, our Board is required to give the Institute written notice of at least ninety days before the end of the school year, which we have done via this letter. Additionally, pursuant to Section 1.2 of the Charter Contract, OCA is only required to comply with applicable and reasonable sponsor policies. We do not consider a transfer out policy that attempts to impose a notification deadline of September 1, 2021, that Superintendent Runyan wrote to inform us of on October 4, 2021, to be reasonable.

Lastly, please be advised that if the Institute illegally retaliates against OCA for requesting a transfer of its charter or continues to publish false and defamatory information about OCA or the OCA Board, OCA will bring legal action against the Institute and any individuals responsible for the illegal conduct. To that end, the OCA Board unanimously passed a motion at its meeting on November 8, 2021 authorizing “legal action to be filed against the Institute and any individuals, as necessary, who illegally retaliate against OCA, publish false or defamatory information about OCA, and/or negatively supervise their employee(s) in connection with such illegal activities.”

We look forward to finally seeing the Institute Board in person to discuss our request to transfer our existing charter from the Institute to Limestone. In the meantime, if you have any questions, please feel free to contact us.

Sincerely,



The Oceanside Collegiate Academy Board of  
Directors

Attachments

c: Oceanside Collegiate Academy Board of Directors