



February 9, 2022

(VIA: E-MAIL ONLY)

Legion Collegiate Academy
Stephanie Burton, Board Chair
Dr. TK Kennedy, Principal
3090 Long Meadow Road
Rockhill, SC 29730

RE: Notice of Waiver of Transfer Policy Deadline and School Compliance Status

Dear School Leader and Board Members,

The Charter Institute at Erskine (“Charter Institute” or “Institute”) is the charter school sponsor and authorizer of your School, Legion Collegiate Academy (“School”). In accordance with the South Carolina Charter Schools Act of 1996 as amended located at S.C. Code Ann. § 59-40-10 *et seq.* (the “Act”), the sponsor of the charter is the charter school’s local education agency (“LEA”) and a charter school is a school within that LEA.

As you are aware, at the January 19, 2022 Institute Board Meeting, the Board granted a one-time waiver of the September 1st School Transfer Policy deadline for your School’s November 10, 2021 transfer request. This one-time waiver is based on extenuating circumstances arising from the Institute Board adopting the Transfer Policy at its August meeting immediately following receipt of the July 2021 Legislative Audit Council Report and the policy deadline, which aligned with State mandated timelines for authorizers to submit annual budget requests to the General Assembly, being approximately one month later.

The Institute has requested the Institute Board place your School’s transfer request on the agenda for its March 16, 2022 board meeting. The Institute’s duty as an authorizer is to hold each of their school’s accountable for their performance and legal and fiscal compliance.

To keep our accountability philosophy in mind, the Institute is preparing a “Compliance Summary” for each school seeking to transfer, which includes the School’s compliance status. This letter provides a summary of same and will be provided to the Institute Board for consideration of the School’s Transfer Request. In addition, the Institute has included a “School Snapshot” as a summary of the School’s compliance background with supporting documents - which can also be found on our website. <https://erskinecharters.org/transfer-out-updates/>

Compliance Background & Current Compliance Status

Based on the Institute’s review of the School’s compliance, the School was placed on Emergency Fiscal Watch on June 29, 2021 related to several concerns, including the following:

1. The Institute identified a discrepancy with the fees the EMO was charging the School and needs clarification from the School Board whether the School’s EMO management fee is: (i) 16% of all gross funding, except student activity fees (*e.g.*, athletics) and federal program grants (as stated in the school’s charter and EMO management agreement), or (ii) \$1,612 per student, as stated in the School’s 2019-2020 audit; and

2. In addition to the concern above, the School has failed to submit its 2020-2021 audit as required under the SC Charter Schools Act. The Institute notified the School on November 12, 2021 of its failure to submit its audit.

Therefore, at this time, the School's compliance status is **Non-Compliant**. Additionally, the Institute does have concerns about the next authorizer being the **second authorizer** for Legion Collegiate Academy in **three years**. If the School provides the requested clarification related to the EMO Management Fees and submits its 2020-2021 audit for review by **March 9, 2022**, the Institute will re-evaluate the School's compliance status.

If the Institute reviews and approves the School's audit and clarification, the Institute will consider placing the School in good standing and will send an updated Compliance Status letter, which may include providing the School a **Letter of Good Standing**. The Institute will present the updated Status Letter to the Institute Board for its consideration of your School's Transfer Request. If the School fails to provide the requested clarification related to the EMO Management Fees and submit its 2020-2021 audit, the Institute will present this letter, along with any updates to the Institute Board.

The Institute encourages the School to take prompt action to remedy these deficiencies prior to the Charter Institute Board's consideration of your transfer request.

The Charter Institute is available to answer questions or talk through School plans for resolution to the outstanding areas of concern. Thank you in advance for your cooperation in this matter.

Sincerely,



Vamshi Rudrapati

cc: Cameron Runyan, Superintendent
Sarah Timmons, Counsel
Dr. Tom Hellams, Institute Board Chair
Joe Bowers, Coordinator of Authorization