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November 12, 2019

Charter School LEA Leader and Board Chair,

In 2016, the St. Louis Public School District, together with the Liddell Plaintiffs and the Caldwell/NAACP Plaintiffs, filed a motion to enforce the St. Louis desegregation settlement agreement claiming, for the first time, that the allocation of funds under SB 287's formula violated the 1999 desegregation settlement agreement. The District and the Plaintiffs claimed that the settlement agreement required all funds raised from a local sales tax to be unequivocally assigned to the District for education of public school children and that the state of Missouri, by following the law and reducing the state portion of aid proportionately based on the number of students who choose to attend charter public schools, was intentionally violating the settlement agreement and subject to contempt of Court and sanctions.

On behalf of the St. Louis charter schools, MCPSA worked with two charter school parents who sought to intervene in that suit to advance and protect the interests of their children enrolled at charter public schools. Although it took a favorable decision from the Eighth Circuit Court of Appeals authorizing their intervention, they ultimately were allowed to intervene in the case. Thereafter, the federal judge concluded that the District was in the wrong forum to seek this kind of relief. Under the terms of the settlement agreement, disputes between the district and the state regarding funding had to be resolved in St. Louis City Circuit Courts, not the federal court.

On October 15, 2019, Plaintiffs represented by Deric Jamnes Liddell and Jean Liddell filed a motion in federal court seeking to require the State of Missouri to **return to the St. Louis Public School District "more than \$70 million in intradistrict desegregation and remediation funding" that they assert was wrongly diverted from the District to the charter public schools in St. Louis from 2006 to the present.** The Liddell Plaintiffs have again returned to federal court, **without** the District as a co-movant, to seek the same relief that the District originally sought in 2016. They ask that the amounts diverted through the 2017-2018 school year, which they claim total \$67.6 million, be returned to the District by the State of Missouri with prejudgment interest and an award of attorney's fees. Although we believe this position distorts the requirements of the Settlement Agreement, if it is accepted by the Court, the charter public schools could be at risk. The state of Missouri is authorized to demand repayment from public charter schools in instances of overpayment pursuant to Section 160.415.2(3), RSMo. The state has advanced the same position that they took in 2016, that the relief is being sought in the wrong forum, but they have not advanced any defenses to the motion on the merits of the relief sought.

We believe that it is important for the charter public schools, and the children being educated in the charter public schools, to continue to have a voice in this dispute. Our intervenors have both expressed a willingness to continue to serve in that capacity in this dispute, and our legal counsel at Stinson has already commenced responding to the State's motion. Preliminary indications are that the Liddell Plaintiffs may interpose objections to intervention, as they did in 2016, but we are confident that intervention is appropriate and necessary here. This case about educational funding for children at

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charter public schools should not be resolved without those same families having a voice in the decision-making.

In order for us to continue this work on behalf of the St. Louis charter schools we must re-establish the St. Louis Charter School Defense Consortium (STLCDC), a legal defense fund. As in 2016 (until 2018) the STLCDC establishes a Joint Representation Agreement between MCPSA and participating St. Louis charter schools. The Agreement allows all legal costs by lead counsel, Stinson LLC, to be divided amongst participating charter schools based on student enrollment. This format reduces the legal fees for all while ensuring the very best representation.

Attached please find a new Defense Consortium Joint Representation Agreement. You will also find a document detailing the invoicing procedures.

Should you have any questions regarding this lawsuit and/or the Defense Consortium please feel free to contact me at dthaman@mocharterschools.org or 314-261-3657.

Sincerely,

Douglas P. Thaman
Executive Director