

May 15, 2020

To: Lisa Edwards
From: Arlene Colvin, Chair
Alyce Butler, Vice Chair
Nadine McDowell, Treasurer and Secretary

Re: Request for Your Immediate Resignation from the Board of Directors of 21st Century Charter School and Gary Middle College East and West

As officers of the Board of Directors of 21st Century Charter School and Gary Middle College East and West, we have a broader fiduciary duty than even other board members to uphold the responsibilities of our offices and positions. We find your actions over the past few months, including your actions leading up to the Board meeting yesterday, to be contrary to the best interests of our three schools and the students who attend there. We therefore believe that you should resign from all three boards effective immediately.

The following activities are deeply concerning to us:

- Illegal actions that have placed the schools in jeopardy with their Authorizers
 - Promoting and advocating for activities leading to meetings and/or consultations in contravention of Open Door laws
 - Attempting to circulate new governing documents not made available to the public, and were not included in the agenda for the meeting
 - Interfering with GEO Foundation's ability to manage the schools by directly intervening with staff members in a manner that creates legal risk relating to active HR and employment issues
 - Continuing questionable activities while already under the watch of our Authorizer for violation.
- Independent activity, which was not directed or delegated to you by the Board of Directors, while representing to stakeholders that you were acting on behalf of the Board
- Activities among staff, parents and students designed to promote your own position among staff and families at the expense of administration and the Board, resulting in a negative and hostile atmosphere on the board, in the schools, and with parents.
- Presentation of disingenuous information in public board meetings designed to undermine administration and the Board in the eyes of stakeholders
- Hostile, unprofessional, and harassing communications to Board and administration

This all continues to create a breach of your fiduciary duties towards our schools. In addition, your discussions with staff create legal risk that, in the event a staff member were to bring a claim, would result in counter claims against you for actively involving yourself in employment matters (actions which were taken in your personal capacity (i.e., you were not authorized to take these actions by the board and these activities were not delegated to you) and that would not be insured under the schools' D&O insurance policies). Accordingly, at this time, we believe it is best for all concerned for you to resign.

While we can't unilaterally remove you from the board, the lawfully executed and governing 2016 Bylaws of 21st Century Charter School provide that GEO Foundation has the right to remove board members for cause.

Specifically, Section 1.4 of the Bylaws of 21st Century Charter School includes provisions for the removal of board members by GEO Foundation upon a showing of cause. These actions include:

1. Violation of applicable Federal and/or State laws, including but not limited to:
 - a. Charter School Law, as provided in Indiana Code 20-5.5-1-1 et Seq.
 - b. Actions that would jeopardize the nonprofit status of GEO or the School or the status of GEO or the School under Code Section 501c3, including but not limited to actions that would subject either GEO or the School to intermediate sanctions of the IRS.
2. Breach of fiduciary duty, including but not limited to a violation of the relevant standard of care under the Articles of Incorporation or Bylaws of the Corporation or as otherwise provided by law
3. Breach of any governing document relating to the school, including but not limited to the Charter Agreement, Conflict of Interest policies, and Background Check policies.

Your actions meet these requirements, and should the GEO Foundation choose to exercise its right to remove you, we would support this decision. However, we would like to offer you the opportunity to resign before that takes place.

Regarding GMC East and West, the Bylaws provide that the Board of Directors itself may remove Directors for cause, under the same showing. (See Section 6 for GMC East, and Section 5 for GMC West.) Should you not accept our offer to resign from GMC East and West at this time, we will initiate removal proceedings at the next available public meeting.

We deeply regret that the relationship has deteriorated to this point. Given your ongoing actions, we conclude it is no longer in the best interest of the schools, the staff, and the students that we serve that you continue to remain on the Board. Since we wish to respect your position in the community and desire to avoid any unnecessary negativity, we are willing to accept your resignation from all three schools by submission of your resignation to Arlene Colvin, Board Chair, within the next 24 hours. Should you choose not to, we will fulfill our own Fiduciary Duties to the Board and our Schools, and take all necessary steps to remove you.

We appreciate your service over the years and wish you the best.

Sincerely,

Arlene Colvin
Alyce Butler
Nadine McDowell