



Wednesday, October 10, 2018

[DeWine Opposes Districts' Intervention In Case Against ECOT Founder](#)

[Attorney General Mike DeWine](#) wants to limit the involvement of two school districts seeking to join the state's effort to recover money from ex-Electronic Classroom of Tomorrow officials.

Dayton Public Schools and the Logan-Hocking Local School District last month filed a motion to intervene in AG DeWine's suit against ECOT founder William Lager and five other former officials with the now-shuttered online charter school. The districts questioned Mr. DeWine's fitness to lead the effort, calling him a "solid supporter of charter schools" in their motion. (See [Gongwer Ohio Report, September 25, 2018](#))

AG DeWine has asked a judge to reject that motion, arguing in a [memorandum](#) the districts' intervention "would complicate these proceedings" and "add little value." He did not, however, ask for the door to be entirely closed on the districts' participation in the case.

"The State does not oppose and would welcome the Districts being given amici status in lieu of intervention," the memorandum states.

Along with the potential for complicating the case, Mr. DeWine also argues the districts lack standing to prosecute claims against former ECOT officials.

The attorney general filed suit against Mr. Lager in August after a Franklin County judge gave him permission to pursue ECOT's financial claims against former school officials. Any money recovered would be distributed under the court's watch to ECOT's creditors, including the state, which claims the school owes it more than \$60 million. (See [Gongwer Ohio Report, August 21, 2018](#))

AG DeWine's arguments were echoed in a [memorandum](#) opposing intervention filed by attorneys for Mr. Lager, who claim "allowing intervention would unnecessarily strain and complicate these proceedings" and "cause undue delay."

The districts in their motion to intervene claim Mr. DeWine has a history of "enthusiastic promotion of charter schools" and argue he could be influenced by a previous campaign donation from Mr. Lager that the AG has since donated to charity.

Mr. DeWine argues the districts' have not provided evidence the attorney general's office cannot adequately represent them in the suit.

"The Districts' specific allegations fall well short ... especially considering the Attorney General's robust record of addressing fraud in Ohio's charter school program," the memo states.

The districts also claim that because money ECOT billed the state for could have gone to public school districts, they have a right to intervene in the case.

ECOT closed its doors in January after the State Board of Education moved to claw back millions in purported overpayments to the school, an action upheld by the Ohio Supreme Court in August. (See [Gongwer Ohio Report, August 8, 2018](#))

An audit of ECOT's finances was referred to the U.S. Attorney's Office and the Franklin County Prosecutor's Office for potential criminal prosecution after State [Auditor Dave Yost](#) determined school officials submitted incorrect data to the Department of Education. (See [Gongwer Ohio Report, May 10, 2018](#))