

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF
OKLAHOMA

**Banks v. Independent School District of Oklahoma, Epic Charter
Schools**

Banks · No. CIV-23-576-G · Decided February 17, 2026

SUMMARY

The document is an order addressing Epic Charter Schools’ Rule 12(b)(1) motion to dismiss former employees’ Age Discrimination in Employment Act claims. The court analyzes whether Epic qualifies as an arm of the State of Oklahoma entitled to Eleventh Amendment immunity, applying the Tenth Circuit’s Steadfast factors and the Eleventh Amendment’s treasury and dignity considerations. The excerpt concludes that the state-treasury and statewide-affairs considerations favor immunity, while other considerations weigh against it; the final disposition is not included in the provided text.

CASE DETAILS

COURT	United States District Court for the Western District of Oklahoma
JURISDICTION	United States District Court for the Western District of Oklahoma
DECIDED	February 17, 2026
DOCKET	CIV-23-576-G
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved under Federal Rule of Civil Procedure 12(b)(1) to dismiss plaintiffs' Age Discrimination in Employment Act claims for lack of subject-matter jurisdiction based on Eleventh Amendment immunity.
STANDARD OF REVIEW	For a factual Rule 12(b)(1) attack, the court may consider affidavits and other evidence, need not presume the truth of the complaint's jurisdictional allegations, and may resolve disputed jurisdictional facts. The defendant bears the burden of establishing Eleventh Amendment immunity and arm-of-the-state status.
PRECEDENTIAL VALUE	Unknown
PARTIES	Susan Banks, Shannon Franklin, Martha Islas, Danette Propst v. Independent School District of Oklahoma, Epic Charter Schools

TOPICS

eleventh amendment immunity

subject matter jurisdiction

motions to dismiss

age discrimination

civil procedure

PRACTICE AREAS

civil procedure

constitutional law

civil rights

employment law

QUESTIONS PRESENTED

1. Whether Epic Charter Schools is an arm of the State of Oklahoma entitled to Eleventh Amendment immunity.
2. Whether Epic established that a judgment against it would create a legally direct risk to the Oklahoma state treasury or otherwise implicate the State's dignitary interests.
3. Whether the defendant's Rule 12(b)(1) motion to dismiss the plaintiffs' ADEA claims should be granted.

HOLDINGS

1. Epic did not meet its burden to establish that it is an arm of the State of Oklahoma for Eleventh Amendment purposes.
2. Epic's receipt of substantial state funding, inability to levy taxes, and statewide operations did not overcome the contrary evidence concerning its political-subdivision status and operational autonomy.
3. The motion to dismiss was denied because Epic was not entitled to Eleventh Amendment immunity on the record presented.

KEY QUOTATIONS

“The Court therefore concludes that Epic, like ordinary Oklahoma school districts, is intended by the State of Oklahoma to be a political subdivision even if Epic to some extent exercises state powers.”

“Defendant is thus not entitled to dismissal of Plaintiffs’ claims on the basis of Eleventh Amendment immunity under Federal Rule of Civil Procedure 12(b)(1).”

FACTUAL BACKGROUND

The plaintiffs are four former employees of Epic Charter Schools who allege that they were terminated on or about November 19, 2021. They assert claims under the Age Discrimination in Employment Act. Epic is a statewide virtual charter school operating under Oklahoma's Charter Schools Act, with its own governing board, state oversight, and students residing throughout Oklahoma.

PROCEDURAL HISTORY

Plaintiffs sued their former employer alleging that their November 2021 terminations violated the ADEA. Defendant moved to dismiss, arguing that Epic Charter Schools was an arm of the State of Oklahoma and therefore immune from suit in federal court. After briefing and supplemental briefing, the court denied the motion to dismiss and directed that the matter be set for a status and scheduling conference.

DISPOSITION

other

CASES CITED

- Kokkonen v. Guardian Life Ins. Co. of Am., 511 U.S. 375, 377 (1994)
- U.S. ex rel. Stone v. Rockwell Int'l Corp., 282 F.3d 787, 797 (10th Cir. 2002)
- Pueblo of Jemez v. United States, 790 F.3d 1143, 1148 n.4 (10th Cir. 2015)
- Murray v. Colorado, 149 F. App'x 772, 774 (10th Cir. 2005)
- Good v. U.S. Dep't of Educ., 121 F.4th 772, 788-821 (10th Cir. 2024)
- Hennessey v. Univ. of Kan. Hosp. Auth., 53 F.4th 516, 528-29 (10th Cir. 2022)
- Steadfast Ins. Co. v. Agric. Ins. Co., 507 F.3d 1250, 1253 (10th Cir. 2007)
- Drummond ex rel. State v. Okla. Statewide Virtual Charter Sch. Bd., 558 P.3d 1, 6, 11-13 (Okla. 2024), aff'd, 605 U.S. 165 (2025) (per curiam)
- Mascheroni v. Bd. of Regents of Univ. of Cal., 28 F.3d 1554, 1559 (10th Cir. 1994)
- Dowell v. Bd. of Educ. of Indep. Sch. Dist. No. 89 of Okla. Cnty., 71 F.R.D. 49, 57 (W.D. Okla. 1976)
- Hennessey v. Univ. of Kan. Hosp. Auth., 53 F.4th 516, 529 (10th Cir. 2022)
- Sutton v. Utah State Sch. for the Deaf & Blind, 173 F.3d 1226, 1232-33 (10th Cir. 1999)
- Ambus v. Granite Bd. of Educ., 995 F.2d 992, 996 (10th Cir. 1993)
- Duke v. Grady Mun. Schs., 127 F.3d 972, 979 (10th Cir. 1997)
- Sturdevant v. Paulsen, 218 F.3d 1160, 1170 (10th Cir. 2000)
- Watson v. Univ. of Utah Med. Ctr., 75 F.3d 569, 575 (10th Cir. 1996)
- Hess v. Port Auth. Trans-Hudson Corp., 513 U.S. 30, 47, 51 (1994)
- Fed. Mar. Comm'n v. S.C. State Ports Auth., 535 U.S. 743, 760 (2002)
- Fresenius Med. Care Cardiovascular Res., Inc. v. P.R. & The Caribbean Cardiovascular Ctr. Corp., 322 F.3d 56, 72 (1st Cir. 2003)
- National R.R. Passenger Corp. v. Morgan, 536 U.S. 101 (2002)