



ORIGINAL

IN THE SUPREME COURT OF THE STATE OF OKLAHOMA

CHARLES J. DE FURIA,
Petitioner,

v.

**LUTHER INDEPENDENT SCHOOL
DISTRICT NO. 3 OF OKLAHOMA
COUNTY;**

**OKLAHOMA COUNTY FINANCE
AUTHORITY; and**

**BOARD OF COUNTY COMMISSIONERS
OF OKLAHOMA COUNTY,
OKLAHOMA,**
Respondents.

FILED
SUPREME COURT
STATE OF OKLAHOMA

APR 21 2026

SELDEN JONES
CLERK

Case No. 123,062

(On Certiorari from the Oklahoma
Court of Civil Appeals, Division II)

Case Number CV-2024-2572

Oklahoma District Court

Received:	4-21-26
Docketed:	
Marshal:	
COA/OKC:	
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**PETITIONER'S LIMITED REPLY TO RESPONSE
TO PETITION FOR WRIT OF CERTIORARI**

Petitioner, Charles J. De Furia, appearing pro se, submits this limited reply pursuant to this Court's Order granting leave under Rule 1.179(c).

This reply is narrowly directed to correcting two fundamental mischaracterizations in Respondent's filing: (1) that Petitioner raises a new or unpreserved argument, and (2) that the constitutional issue presented is hypothetical or advisory. Neither contention is correct.

From the inception of this litigation, Petitioner has challenged the constitutionality of the financing structure under Article 10, § 26 of the Oklahoma Constitution on the grounds that it creates indebtedness in substance, notwithstanding its form. As set forth in the Petition, the constitutional inquiry turns on whether the School District possesses a genuine right to terminate the arrangement without material consequence.

Respondent's assertion that Petitioner has "changed his argument" by focusing on the consequences of non-renewal misstates the record. The Petition expressly alleged that the District cannot meaningfully "walk away" because assets pledged as collateral are placed at risk in the event of non-renewal or default. That is not a new theory; it is the core constitutional contention.

The doctrine on which Respondent relies—and which the Court of Civil Appeals assumed—rests entirely on the premise that a governmental entity may terminate a fiscal-year obligation without incurring debt. But that premise only holds where the termination right is real. If non-renewal carries material legal or economic consequences, including the forfeiture of pledged public property, then the "walk-away" right is illusory, and the arrangement functions as debt in substance.

Respondent repeatedly asserts, in varying formulations, that the School District has no legally enforceable obligation to make future payments. That repetition obscures the actual constitutional inquiry. Section 26 prohibits indebtedness "in any manner, or for any purpose." A structure that forces a governmental entity to choose between continued payments or forfeiture of public assets falls squarely within that prohibition.

The issue presented is therefore not hypothetical. It is concrete and dispositive: whether the purported annual termination right is genuine or merely formal when the consequence of non-renewal is the loss of pledged public property. That question goes directly to whether the financing arrangement upheld below violates Article 10, § 26.

Respondent's suggestion that this Court would be issuing an advisory opinion is misplaced. Petitioner does not seek abstract guidance. He seeks review of a specific financing structure approved on summary judgment. The Court of Civil Appeals resolved the

constitutional issue on the merits while assuming, rather than analyzing, the existence of a meaningful “walk-away” right. That assumption is precisely what Petitioner challenges.

The need for this Court’s review is heightened by the procedural posture of the case. The district court denied discovery of the operative agreements, including the ground lease and sublease, which define the actual consequences of non-renewal. Yet the constitutional question was resolved as a matter of law without examining those instruments. Testimony in open Court indicated that the remedies and structure mirror prior arrangements in which collateral consequences were central, but that evidence was not addressed by the District Court and the Civil Court of Appeals. The remedies for default in the prior arrangement were specified in Petitioner’s Record on Accelerated Appeal as follows:

“(b) Sublessor Remedies. Upon the occurrence of an Event of Default by Sublessee, Sublessor may upon ninety (90) days written notice and opportunity to cure provided to Sublessee and Trustee, with or without additional notice or demand, which are hereby waived by Sublessee, and without limiting the Sublessor's remedies as a result of the Event of Default, do any of the following:

- (i) Terminate this Sublease and the Sublessee's right to possession to the Premises, subject to any vested right or title of Sublessee in any Improvements acquired pursuant to Section 3(c). In such event, the Sublessor shall be entitled to recover from the Sublessee all damages incurred by the Sublessor by reason of the Event of Default by the Sublessee including, but not limited to, the cost of recovering possession of the Premises, subject to any vested right or title of Sublessee in any Improvements acquired pursuant to Section 3(c) and reasonable attorneys' fees;
- (ii) Maintain the Sublessee's right to possession and obligation to complete construction of the Improvements, in which case this Sublease shall continue in effect notwithstanding that the Sublessee shall have surrendered, vacated or abandoned the Premises. In such event, the Sublessor shall be entitled to enforce all of its rights and remedies under this Sublease, including the right to recover Rent, Additional Rent and Lease Purchase Acquisition Payments, as they become due;
- (iii) Compel specific performance by the Sublessee of its obligations under this Sublease, including specifically, the Sublessee's obligation to construct the Improvements; or
- (iv) Pursue any other remedy available to the Sublessor under the laws of the State of Oklahoma

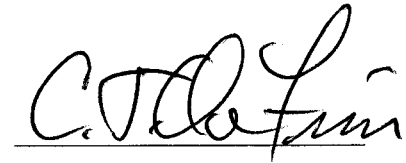
The failure of Sublessor to exercise such rights after one or more Events of Default shall not be a waiver of the rights of Sublessor upon the occurrence of any subsequent

Event of Default. In all cases of an Event of Default, the Sublessor agrees to use all reasonable means to mitigate its damages.”

Finally, this case presents a question of statewide importance. Financing structures of this type are widely used by school districts and public entities across Oklahoma. Whether such arrangements fall within or outside Article 10, § 26 when collateral forfeiture is present, is a recurring constitutional issue that warrants this Court’s guidance.

WHEREFORE, Petitioner respectfully requests that this Court grant the Petition for Writ of Certiorari.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "C. J. De Furia", written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that on the 21 day of April 2026, a true and correct copy of the foregoing document was mailed by U.S. Mail, postage prepaid, to the following counsel of record:

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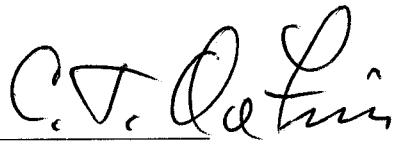
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I further certify that a copy of the Response to Petition in Error was filed in the Office of Oklahoma District Court Judge Don Andrews on the 21 day of April 2026.


Charles J. De Furia
Plaintiff Pro Se