

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

Deer Park School No. 414 Spokane County September 1, 2014 through August 31, 2015

2015-001 Deer Park School District was over funded \$128,988 in alternative learning experience enrollment in its Alternative High School program due to lack of internal controls.

Background

Alternative learning experience (ALE) is an individualized course of study that school districts may claim for basic education funding provided the district complies with state regulations.

The Office of Superintendent of Public Instruction (OSPI) establishes the rules and provides instructions on ALE enrollment reporting for state funding.

OSPI rules require the District to identify the number of hours each student will be engaged in learning activities within each written student learning plan. The hours identified in the plans are used as the basis to report students for funding. Plans must identify beginning and ending dates and students may not be claimed for funding outside of those dates. Student progress toward planned goals must be assessed on a monthly basis and students may not be reported in the following month when an evaluation is not conducted. In addition, districts must obtain a signed statement from each parent certifying they understand the difference between ALE and home-based instruction. Without these signed statements, the District may only report the students for the first 30 calendar days enrolled.

Description of Condition

Deer Park Alternative High School is an onsite ALE program for students in grades 9-12. The program reported approximately 40 annual average full-time equivalent (AAFTE). Nonresident students represent 1.75 percent of students reported for funding.

Progress reviews were not completed monthly for each student as required by regulations.

Written student learning plans were not in place on the count dates claimed for three students.

The District did not obtain a signed statement of understanding from parents certifying they understood the difference between ALE and home-based instruction for one student.

Students who were not participating in the ALE program were reported as ALE. Some of these students were actively enrolled in regular basic education classes and had no written student learning plans. These students should have been reported as traditional basic enrollment students rather than ALE. Two students claimed for ALE funding were working on graduation requirements and did not have written student learning plans in place. Because they were not enrolled in basic enrollment classes, time they spent with school staff should have been reported as ancillary services.

Cause of Condition

The District did not have internal controls in place in this program to claim ALE funding including:

- Each student has a written student learning plan in place that covers the count dates reported.
- Progress evaluations are completed on a monthly basis for all students reported.
- Statements of understanding of the difference between ALE and home-based instruction are obtained from parents within 30 days of enrollment.
- Only students who are actively participating in the program are reported for funding.

Effect of Condition

We determined the District over reported 22.41 average annual full time equivalent students in the Alternative High School, resulting in an overfunding of approximately \$128,988.

Recommendation

We recommend the District:

- Prepare written student learning plans for each student prior to count date.
- Document progress evaluations for all students on a monthly basis.

- Obtain signed statements from all parents certifying they understand the difference between ALE and home-based instruction prior to counting students.
- Report only students actively participating in the program.
- Work with OSPI to determine repayment to the state.

District's Response

The district has made the following adjustments to the ALE Contract program: The lead teacher was completing progress evaluations every 30 days, believing that to be the guideline. He now understands that the requirement is monthly and has adjusted his process. Because the program serves our most at-risk students, parent signatures are frequently difficult to get, but students cannot be denied service while waiting for the additional paperwork. In the future, students will be enrolled in the regular program of study until all signatures have been received, before being moved to the Contract program. Additionally, we have provided more staffing in the program to allow more time, we have added administrative support to provide twice-monthly review of files and provide support in attaining needed documentation, and we continue to encourage collaboration with our Home-Link program on learning their methods for keeping complete and accurate student files and enrollment reporting.

Auditor's Remarks

We thank the District for its cooperation and assistance during the audit and acknowledge its commitment to improvements. We will review the status of the recommendations during our next audit.

Applicable Laws and Regulations

Washington Administrative Code 392-121-182, Alternative learning experience requirements, states in part: . . .

(3)(n)“Written student learning plan” means a written plan for learning that includes at least the following elements:

- (i) A beginning and ending date for the student’s alternative learning experience courses;
- (ii) An estimate by a certificated teacher of the average number of hours per school week the student will engage in learning activities to meet the requirements of the written student learning plan.

(6) Alternative learning experience implementation requirements:

(j)(i) A school district that provides one or more alternative learning experiences to a student must provide the parent(s) of the student, prior to the student's enrollment, with a description of the difference between home-based instruction pursuant to chapter 28A.200 RCW and the enrollment option selected by the student. The parent must sign documentation attesting to his or her understanding of the difference. Such documentation must be retained by the district and made available for audit.

(ii) In the event a school district cannot locate a student's parent within three days of a student's request for enrollment in an alternative learning experience, the school district may enroll the student for a conditional period of no longer than thirty calendar days. The student must be disenrolled from the alternative learning experience if the school district does not obtain the documentation required under this subsection before the end of the thirty day conditional enrollment period.

(7) Enrollment reporting procedures: Effective the 2011-12 school year, the full-time equivalency of students enrolled in an alternative learning experience must be determined as follows:

(a) The school district must use the definition of full-time equivalent student in WAC 392-121-122 and the number of hours the student is expected to engage in learning activities as follows:

(i) On the first enrollment count date on or after the start date specified in the written student learning plan, subject to documented evidence of student participation as required by WAC 392-121-106(4), the student's full-time equivalent must be based on the estimated average weekly hours of learning activity described in the student's written student learning plan.

(ii) On any subsequent monthly count date, the student's full-time equivalent must be based on the estimated

average weekly hours of learning activity described in the written student learning plan if:

(A) The student's progress evaluation conducted in the prior calendar month pursuant to subsection (4)(c) of this section indicates satisfactory progress; or

(B) The student's progress evaluation conducted in the prior calendar month pursuant to subsection (4)(c) of this section indicates a lack of satisfactory progress, and an intervention plan designed to improve student progress has been developed, documented, and implemented within five school days of the date of the prior month's progress evaluation.

(iii) On any subsequent monthly count date if an intervention plan has not been developed, documented, and implemented within five days of the prior month's progress evaluation, the student's full-time equivalent must not be included by the school district in the subsequent month's enrollment count.

(d) The enrollment count must exclude students who as of the enrollment count date have completed the requirements of the written student learning plan prior to ending date specified in the plan and who have not had a new written student learning plan established with a new beginning and ending date that encompasses the count date.

(10) Documentation and record retention requirements: School districts and charter schools claiming state funding for alternative learning experiences must retain all documentation required in this section in accordance with established records retention schedules and must make such documentation available upon request for purposes of state monitoring and audit. School districts and charter schools must maintain the following written documentation:

- (a) School board policy for alternative learning experiences pursuant to this section;
- (b) Annual reports to the school district board of directors or charter school board as required by subsection (5) of this section;
- (c) Monthly and annual reports to the superintendent of public instruction as required by subsection (9) of this section;
- (d) The written student learning plans required by subsection (4) of this section;
- (e) Evidence of weekly contact required by subsection (4) of this section.
 - (i) For students participating in regularly scheduled classes, including in-person instructional contact and synchronous digital instructional contact, evidence may include classroom attendance records.
 - (ii) For students who are not participating in regularly scheduled classes, evidence of contact must include the date of the contact, the method of communication by which the contact was accomplished, and documentation to support the subject of the communication.
- (f) Student progress evaluations and intervention plans required by subsection (4) of this section;
- (g) The results of any assessments required by subsection (9) of this section;
- (h) Student enrollment detail substantiating full-time equivalent enrollment reported to the state; and
- (i) Signed parent enrollment disclosure documents required by subsection (6)(j) of this section.

Washington Administrative Code 392-121-107 Definition – Course of Study, states in part: . . .

- (1) Ancillary services – any co-curricular service or activity, any health care service or activity, and other services or activities, for or in which enrolled students are served by appropriate school district staff. The term shall include but not be limited to. . . .