



Office of the Washington State Auditor
Pat McCarthy

Accountability Audit Report

Green Dot Public Schools Washington State: Destiny Middle School

For the period September 1, 2016 through August 31, 2017

Published October 8, 2018

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**Office of the Washington State Auditor
Pat McCarthy**

October 8, 2018

Board of Directors
Green Dot Public Schools Washington State
Destiny Middle School
Tacoma, Washington

Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role of providing state and local governments with assurance and accountability as the independent auditor of public accounts. In this way, we strive to help government work better, cost less, deliver higher value and earn greater public trust.

Independent audits provide essential accountability and transparency for Public Charter School operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

The attached comprises our independent audit report on the Public Charter School's compliance with applicable requirements and safeguarding of public resources for the areas we examined. We appreciate the opportunity to work with your staff and we value your cooperation during the audit.

Sincerely,

Pat McCarthy
State Auditor
Olympia, WA

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AUDIT RESULTS

This report describes the overall results and conclusions for the areas we examined. In most of the areas we examined, except as described below, Public Charter School operations complied with applicable state laws, regulations, and its own policies, and provided adequate controls over safeguarding of public resources.

As referenced above, we noted certain matters that we communicated to Public Charter School management and Board of Directors in a letter dated September 14, 2018, related to Open Public Meetings Act (OPMA) address in a management letter. We appreciate the Public Charter School's commitment to resolving those matters.

About the audit

This report contains the results of our independent accountability audit of the Green Dot Public Schools Washington State from September 1, 2016 through August 31, 2017.

Management is responsible for ensuring compliance and adequate safeguarding of public resources from fraud, loss or abuse. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

This audit was conducted under the authority of RCW 43.09.260, which requires the Office of the State Auditor to examine the financial affairs of all local governments. Our audit involved performing procedures to obtain evidence about the Public Charter School's uses of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, based on our risk assessment for the year ended August 31, 2017, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. The following areas were examined during this audit period:

- Basic enrollment reporting – tested compliance with State requirements.
- Special education enrollment reporting – tested compliance with State and Federal requirements
- Transportation ridership counts – reviewed student ridership counts to ensure compliance with state requirements.
- Staff mix reporting – reviewed credits and certificated years of experience

- Vendor payments – performed testing to ensure payments made were in accordance within the terms of their contract.
- General revenues – review of public and private bank accounts to ensure funds were kept separate.
- Board minutes – review of monthly board meeting minutes for compliance with Open Public Meetings Act.
- IT user access – performed review of the Charter School’s policies and procedures.

RELATED REPORTS

Other reports

A financial statement audit was performed by a firm of certified public accountants. That firm's report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

INFORMATION ABOUT THE PUBLIC CHARTER SCHOOL

Green Dot Public Schools Washington State Charter District - Destiny Middle School, located in Pierce County, provided educational services to approximately 253 students in grades 6-7 during the 2016-2017 school year.

The Public Charter School is a 501c3 nonprofit corporation established under RCW 28A.710.020 and governed by a three to 25 member appointed Board of Directors, that establishes policies for the Public Charter School according to the terms of a renewable, five-year charter contract executed under RCW28A.710.160.

Green Dot Public Schools Washington State is authorized by Washington State Charter School Commission established by a five-year contract effective August 24, 2016 and terminating August 24, 2021.

The Public Charter School received approximately \$2.4 million in direct state and federal funding for fiscal year 2017. The Public Charter School operates in one building and employs approximately 67 employees.

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Information current as of report publish date.

Audit history

You can find current and past audit reports for the Green Dot Public Schools Washington State at <http://portal.sao.wa.gov/ReportSearch>.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

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