



Office of the Washington State Auditor
Pat McCarthy

Special Report
Alternative Learning Experience
Bainbridge Island School District
No. 303
Kitsap County

For the period September 1, 2015 through August 31, 2016

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Office of the Washington State Auditor
Pat McCarthy

July 17, 2017

Board of Directors
Bainbridge Island School District No. 303
Bainbridge Island, Washington

Report on Alternative Learning Experience

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 District 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 report on the District's compliance with alternative learning experience enrollment reporting rules. Our independent audit report describes the overall results and conclusions for 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 SUMMARY

Results in brief

In most areas we audited, District operations complied with state laws and regulations and its own policies and procedures regarding alternative learning experience (ALE) enrollment. For the year ending, August 31, 2016 the District received approximately \$23.3 million in combined enrollment and staff mix funding; approximately \$305,845 of this was related to its ALE programs.

However, we identified areas in which the District could make improvements.

- Mosaic Home Education Partnership Program – The program reported 41.74 average annual full-time equivalent (AAFTE). Our audit of this program tested a sample of seven students and found 2.60 AAFTE over reported. Errors were due to non-compliant written student learning plans, monthly progress reviews were not performed, documentation of monthly reviews was not available,

Pervasive errors were projected to the student population for two months, resulting in 9.724 AAFTE questioned.

We estimate these errors resulted in \$61,346 in over funding.

We recommend the District:

- Prepare written student learning plans that include all required ALE plan elements for each student before reporting them for funding.
- Include in every written student learning plan the date and signature of the certificated instructor who approves the plan.
- Prepare monthly progress evaluations for all students for each month reported for funding, including September.
- Obtain signed and dated (not pre-dated) statements from all parents certifying they understand the difference between ALE and home-based instruction before counting students.
- Work with OSPI to determine repayment to the state.

These recommendations were included in our report as a finding.

About alternative learning experience programs

ALE programs are a form of basic K-12 public school education in Washington State. While students in traditional basic education attend classes on campus and have face-to-face contact with teachers and other staff, ALE students may spend most, or even all, of their time outside of a regular classroom setting.

Districts may build Internet-based educational programs that enroll students from anywhere in the state. Besides Internet programs, ALE can be accomplished through a contract between a student and district instructors, or through a parent-partner program in which parents participate in the design and teaching of the student's courses. These programs are different from homeschooling in that students remain part of the public school system and districts claiming funding are responsible for supervision, monitoring, assessing and evaluating the student's education.

Districts may count ALE students for funding when they report enrollment to the Office of Superintendent of Public Instruction (OSPI). In order to claim ALE students for funding, ALE programs must satisfy OSPI's requirement for courses of study leading to a high school diploma. Districts must prepare detailed plans for each student, maintain regular contact with students, and evaluate student progress on a monthly basis. Districts must also keep detailed records to show they have met all of these requirements.

During the period under review, the District operated one ALE program, which accounted for 1.3 percent of its total basic student enrollment:

- Mosaic Home Education Partnership Program is a site-based program serving 41.74 student AAFTE in grades K-8. Students are on the District campus for most courses. The program has operated for 25 years and non-resident students represent 39.5 percent of students reported for funding.

About the audit

Per RCW 28A.232.010, school districts must receive biennial audits of their ALE program. This report contains the results of our independent audit of ALE enrollment at Bainbridge Island School District No. 303 from September 1, 2015 through August 31, 2016.

Management is responsible for ensuring compliance with applicable ALE requirements. This includes the design, implementation and maintenance of internal controls relevant to these objectives.

Our audit involved performing procedures to obtain evidence about the District's compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters, with regard to its ALE program.

In keeping with general auditing practices, we do not examine every transaction, activity or area. Instead, the areas examined were those representing the highest risk of noncompliance.

SCHEDULE OF AUDIT FINDINGS AND RESPONSES

**Bainbridge Island School District No. 303
Kitsap County
September 1, 2015 through August 31, 2016**

2016-001 The District lacked adequate controls over enrollment reporting for its Mosaic Home Partnership alternative learning experience program, resulting in overfunding of \$61,346.

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 for reporting ALE enrollment for state funding.

OSPI rules require the District to identify the number of hours each student will participate in learning activities in 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. Plans must also be signed and dated by certificated staff as evidence of approval. 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 report the students only for the first 30 calendar days enrolled.

Description of Condition

Mosaic Home Education Partnership Program is a site-based program for students in grades K-8. The program reported 41.74 annual average full-time equivalent (AAFTE) students. The program has operated for 25 years, and non-resident students represent 39.5 percent of students reported for funding. During our audit, we found the following issues:

- The District uses boilerplate interim written student learning plans in September that do not include minimum requirements.

- The District prepares individualized written student learning plans by the end of October that are backdated to the beginning of school. We could not verify whether these plans are in place as of the October count date for any student in the program.
- Written student learning plans do not include dated, signed approval by a certificated instructor.
- September progress reviews were not completed for any student in the program.
- Monthly progress reviews were not consistently available for each student for the months of October through June.
- Signed statements of understanding from parents certifying they understand the difference between ALE and home-based instruction were predated, and could not be verified as to the date signed, for three students.

Cause of Condition

The District did not have internal controls in place to ensure all ALE requirements are met before reporting students for funding.

Effect of Condition

We determined the District over-reported 9.724 AAFTE students in the Mosaic Home Education Partnership Program, resulting in an overfunding of \$61,346.

Recommendations

We recommend the District:

- Prepare written student learning plans that include all required ALE plan elements for each student before reporting them for funding.
- Include in every written student learning plan the date and signature of the certificated instructor who approves the plan.
- Prepare monthly progress evaluations for all students for each month reported for funding, including September.
- Obtain signed and dated (not pre-dated) statements from all parents certifying they understand the difference between ALE and home-based instruction before counting students.
- Work with OSPI to determine repayment to the state.

District's Response

The Bainbridge Island School District would like to thank the Washington State Auditor's Office (SAO) for working with the District throughout the audit process. The SAO provided helpful information in regards to areas where program forms or timelines were not in compliance, and useful suggestions for addressing these areas and implementing a program accountability process.

While we concur that there were issues with some documents and timelines, we feel it is clear the intention of the law requiring student and parent participation and program delivery was followed in the following areas:

- It is stated the district uses boilerplate interim written student learning plans in September that do not include minimum requirements. We have used interim written student learning plans and all items are aligned with requirements with the exception of a typed date next to the parent and teacher signature. The parent signature is on all documents but the teacher failed to also sign all documents. However, much of the content of the interim learning plan is handwritten by the teacher indicating that the plan was developed and in place within the first four days of school. All other parts of the interim plans are completed.*
- A second condition we'd like to address is that we had fallen outside the requirements by not having the required timeline for the September and October plans and progress reviews.*
- Interim plans were in place by the first four days of school, followed by a full plan development with parents/student in early mid-September (during the first two or three weeks of school) with the follow up progress review occurring during the monthly conference in October. The teacher inadvertently missed doing a progress monitoring of the interim plan in late September to reset goals for October. Since the formal full plan development conference occurred within a week or two of the interim plan being in place the first four days of school, the progress made on the interim plan over the last week or two was not formally written down but was incorporated into the learning plan conference.*

Based on the auditor's recommendations, the district has set up internal controls to ensure all ALE requirements are met including annual training regarding the ALE requirements, the development and required use of a program requirement checklist and learning plan forms available from OSPI, monthly file review by the principal, and quarterly review by the assistant superintendent. Teachers and principals responsible for student learning plans will receive annual training on

ALE requirements, and all staff members will be held accountable for the completion of all ALE requirements in compliance with the timeline.

Our district plans to work closely with OSPI to address the auditor's findings. Having a clean audit for our ALE program is important to the district as reflected in prior desk audits where our program was found to be compliant.

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.

(iv) A description of each alternative learning experience course or course work included as part of the learning plan, including specific learning goals, performance objectives, and learning activities for each course, written in a manner that facilitates monthly evaluation of student progress. This requirement may be met through the use of individual course syllabi or other similarly detailed descriptions of learning requirements. The description must clearly identify the requirements a student must meet to successfully complete the course or course work. Courses or course work must be identified using course names, codes, and designators specified in the most recent Comprehensive Education Data and Research System data manual published by the office of superintendent of public instruction;

(v) Identification of the certificated teacher responsible for each course or course work included as part of the plan;

(vi) Identification of all instructional materials that will be used to complete the learning plan; and

(vii) A description of the timelines and methods for evaluating student progress toward the learning goals and performance objectives specified in the learning plan;

(viii) Identification of whether each alternative learning experience course or course work meets one or more of the state essential academic learning requirements or grade-level expectations and any other academic goals, objectives, and learning requirements defined by the school district or charter school.

(4) Alternative learning experience program requirements:

(a) Each student participating in an alternative learning experience must have a written student learning plan developed and approved by a certificated teacher that is designed to meet the student's individual educational needs. A certificated teacher must have responsibility and accountability for each course specified in the plan, including supervision and monitoring, and evaluation and documentation of the student's progress. The written student learning plan may be developed with assistance from the student, the student's parents, or other interested parties. For students whose written student learning plan includes only online courses, the written student learning plan may be developed and approved by a certificated teacher or a school-based support staff.

(c) The educational progress of each student enrolled in an alternative learning experience must be evaluated at least once each calendar month of enrollment by a certificated teacher or, for students whose written student learning plans include only online classes, school-based support staff in accordance with this section. The results of each evaluation must be communicated to the student or, if the student is in grades K-8, both the student and the student's parent. For students whose written student learning plan

includes only online courses, a school-based support staff may communicate the progress evaluation to the student. Educational progress must be evaluated according to the following requirements:

(i) Each student's educational progress evaluation must be based on the learning goals and performance objectives defined in the written student learning plan.

(ii) The evaluation of satisfactory progress must be conducted in a manner consistent with school district or charter school student evaluation or grading procedures, and be based on the professional judgment of a certificated teacher.

(iii) In the event that the monthly evaluation is not completed within the calendar month being evaluated, the evaluation must be completed within five school days of the end of the month. Districts and charter schools must not claim funding for the subsequent month for a student who was not evaluated within that time frame.

(iv) The progress evaluation conducted by a certificated teacher must include direct personal contact with the student with the following exceptions:

(A) After an initial month of satisfactory progress, in subsequent months where progress continues to be satisfactory the evaluation may be communicated to the student without direct personal contact.

(B) Direct personal contact is not required as a part of the evaluation conducted in the final month of the school year if the evaluation takes the form of the delivery of final grades to the student.

(v) Based on the progress evaluation, a certificated teacher must determine and

document whether the student is making satisfactory progress reaching the learning goals and performance objectives defined in 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:

(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.

INFORMATION ABOUT THE DISTRICT

Bainbridge Island School District No. 303 provides education services to approximately 3,819 students in kindergarten through 12th grade. The District operates three elementary schools, one intermediate school, one middle school, one main high school and an array of optional programs, including a multiage program and a second smaller high school.

An elected five-member Board of Directors governs the District. Board Members serve staggered, four-year terms. The Board appoints a Superintendent to oversee the District's daily operations as well as its approximately 267 certificated and 260 classified employees. For fiscal year 2016, the District operated on an annual budget of \$55.2 million.

Contact information related to this report

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Audit history

You can find current and past audit reports for the District 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.

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