



Office of the Washington State Auditor  
Pat McCarthy

## **Accountability Audit Report**

# **Summit Public School – Atlas**

**For the period September 1, 2020 through August 31, 2021**

*Published October 10, 2022*

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## Office of the Washington State Auditor Pat McCarthy

October 10, 2022

Board of Directors  
Summit Public Schools Washington – Atlas  
Seattle, Washington

### Report on Accountability

Thank you for the opportunity to work with you to promote accountability, integrity and openness in government. The Office of the Washington State Auditor 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 Charter Public School operations. This information is valuable to management, the governing body and public stakeholders when assessing the government's stewardship of public resources.

Attached is our independent audit report on the Charter Public 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 value your cooperation during the audit.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

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## AUDIT RESULTS

### Results in brief

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

As referenced above, we identified areas where the Charter Public School could make improvements. These recommendations are included with our report as a finding.

In keeping with general auditing practices, we do not examine every transaction, activity, policy, internal control, or area. As a result, no information is provided on the areas that were not examined.

### About the audit

This report contains the results of our independent accountability audit of Summit Public Schools Washington – Atlas from September 1, 2020 through August 31, 2021.

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 Washington State Auditor to examine the financial affairs of all local governments. Our audit involved obtaining evidence about the Charter Public School's use of public resources, compliance with state laws and regulations and its own policies and procedures, and internal controls over such matters. The procedures performed were based on our assessment of risks in the areas we examined.

Based on our risk assessment for the year ended August 31, 2021, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Teacher Certification and Endorsement
- Compliance with supplemental contracts
- Payroll – bonus and incentive payments
- Payroll direct deposits – evaluate design of controls
- Cost allocation plan – equitable distribution of shared costs
- Use of restricted funds – professional learning
- Open public meetings – compliance with minutes, meetings and executive session requirements

## SCHEDULE OF AUDIT FINDINGS AND RESPONSES

### Summit Public Schools - Atlas September 1, 2020 through August 31, 2021

#### **2021-001 The Summit Public Schools Washington – Atlas students were taught by non-certificated teachers resulting in the school receiving unallowable funding.**

##### ***Background***

Under state law (RCW 28A.710.020), charter public schools function as local educational agencies (LEAs) in Washington. Charter public schools are responsible for meeting the requirements of LEAs and public schools under applicable federal laws and regulations.

Summit Public Schools Washington is the charter management organization (CMO) over three charter schools in Washington, including Summit Public Schools Washington – Atlas (Summit Atlas). One charter public school board with appointed members governs the day-to-day operations of these three charter schools. The Board of Directors is the highest decision-making authority of these three charter schools. The Board is responsible for ensuring the charter schools comply with the charter's contract and applicable state laws. This includes establishing policies and effective internal controls over the charter schools' operational decisions, as well as monitoring and tracking certificated instructor qualifications, staff contracts and apportionment reporting.

Summit Atlas began providing educational services to students in August 2017. During the 2019-2020 school year, Summit Atlas employed about 44 instructional staff and provided educational services to about 458 students in grades 6 through 12 in King County.

Summit Atlas's authorizing contract with the Washington State Charter School Commission requires instructional staff to hold all applicable qualifications required by state or federal law. The Commission also requires the Board to approve all of the school's employment contracts. State law (RCW 28A.405.210, RCW 28A.410.025, WAC 392-121-200) requires all public school instructors to hold current Washington state teacher certificates except in narrow circumstances. Someone who does not hold a valid, state-issued teacher certificate or permit or that is determined to meet applicable exceptions to certification at time of hiring or

appointment as a teacher is not considered a qualified and certificated teacher under state law.

The Office of Superintendent of Public Instruction (OSPI) uses the charter school's personnel data to calculate staff-to-student ratios to determine the school's compliance with maintaining a minimum ratio of 46 certificated instructional staff per 1,000 full-time equivalent (FTE) students in grades K-12. OSPI also uses this data to determine the monetary penalty the school will receive for not maintaining this ratio. Staff reporting, along with student enrollment reporting, determines the allocation of state funds going to the charter school.

### *Description of Condition*

In fiscal year 2021, Summit Atlas received about \$6.1 million in state and federal funding.

During the audit period, the Board contracted with three instructional staff who did not hold current Washington state teacher certificates for some months during the 2020-2021 school year. The school's standard employment requirements for 2020-2021 instructional staff included "possession of a valid teaching credential, certificate, and/or permit for the subject in which [the contracted teacher] will teach for the 2020-2021 school year." In addition, the school provided no evidence that these three non-certificated instructional staff were determined to meet any exceptions to certification at time of hiring or appointment as a teacher.

This issue was reported as a finding in the prior audit. Due to the timing of the prior audit recommendations, the Board could not take steps to address the certification issues for the 2020-2021 school year.

### *Cause of Condition*

Summit Atlas did not have adequate controls or oversight to ensure that all instructional staff held current Washington state teaching certificates, as required by state law and the charter's contract.

### *Effect of Condition*

Three non-certificated Washington instructional staff taught classes to students (19.7081 Annual Average FTE). This resulted in the school receiving an estimated \$159,162 more in apportionment funds than it should have. The Charter School provided no evidence that these three non-certificated instructional staff were determined to meet any exceptions to certification at time of hiring or appointment as a teacher.

This could also have an effect on the 2021-2022 school year, and it may result in the school receiving additional, unallowable funding because it may be reporting non-certificated teachers as instructional staff to OSPI.

This may also affect students because non-certificated Washington instructors taught courses at Summit Atlas.

### ***Recommendation***

We strongly recommend Summit Atlas work with OSPI to:

- Calculate and return the amount of unallowable apportionment funding it received because non-certificated instructors taught courses in the 2020-2021 school year
- Calculate and determine if any apportionment funding that it received was unallowable because of non-certificated instructors who taught courses in the 2021-2022 school year

We also recommend Summit Atlas work with OSPI and the Washington State Board of Education to determine any effects this might have on students.

We further recommend Summit Atlas establish effective local oversight and monitoring for its operations and develop procedures to ensure compliance with state law and its charter contract. This includes:

- Ensuring instructional staff hold current Washington state teaching certificates or otherwise meet statutory requirements
- Claiming enrollment only for instructional time provided by staff who hold Washington state teaching certificates or otherwise meet statutory requirements

### ***Charter Public School's Response***

*Summit Public Schools Washington ("Summit") submits these comments to the draft accountability audit reports for Summit: Atlas and Summit: Sierra (collectively, the "Summit Schools"). The draft accountability audit reports ("Draft Reports") include findings that stem from the same misreading of the teacher certification requirements as the accountability audit reports for the last audit cycle, which were issued in March of this year. Specifically, the teachers who taught at the Summit Schools without certificates easily met the requirements of teaching without a certificate under RCW 28A.150.203(7). Additionally, the Audit Reports fail to take the circumstances that impacted teacher certification at the*

outset of the COVID-19 pandemic. The Draft Reports leave out key facts which show that the teachers in question met the legal requirements for teaching in Summit's classrooms. As will be shown below, the Summit Schools have consistently gone above and beyond to identify the most talented, passionate, and exceptionally well-qualified teachers to deliver the best possible education to its students. There is no basis for the Draft Reports' findings that the Summit Schools received unallowable public funds.

## **1. The Draft Reports Incorrectly Interpret the Law**

The Charter School Act ("CSA"), chapter 28A.710 RCW, has the express "purpose of allowing [charter schools to have] flexibility to innovate in areas such as... personnel, funding, and educational programs to improve student outcomes and academic achievement." RCW 28A.710.040(3). But instead of implementing this policy decision, the Audit Reports' findings reflect the SAO's attempt to artificially cabin, with no statutory authority whatsoever, Summit's flexibility to make staffing decisions consistent with the law, the Summit Schools' charter contracts, and with their mission to provide an exceptional education to its students.

The Draft Reports avoid engaging with the statutory exception to the teacher certification requirement by attempting to add a requirement that a teacher's eligibility be determined at the time of hiring. This requirement has no basis in the law. Moreover, the Draft Reports portray the certification exemption as narrower than it really is. The SAO is not a rulemaking agency and does not have any grounds for interpreting the teacher certification requirement more strictly than substantially identical language has been interpreted by the Board of Education. Finally, the Draft Reports attempt to penalize Summit for hundreds of thousands of dollars for what are at most ministerial errors that any court would deem to be in substantial compliance with the applicable statutes. For all of these reasons, the SAO should revise the Draft Reports to remove their findings.

### **A. Summit is Not Required to Show that the Certification Exemption Was Determined Applicable "At the Time of Hiring"**

The Draft Reports assert that

*Someone who does not hold a valid, state-issued teacher certificate or permit or that is determined to meet applicable exceptions to certification at time of hiring is not considered a qualified and certificated teacher under state law.*

*The Charter School provided no evidence that these three non-certificated instructional staff were determined to meet any exceptions to certification at time of hiring.*

*This view has absolutely no statutory support whatsoever. RCW 28A.150.203(7) provides that in “exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision.” This exemption plainly turns on whether there are exceptional circumstances, whether the teacher in question is of unusual competence, and whether there is a certificated person who exercises general supervision.*

*Under the Draft Reports’ interpretation of the law, a school could be denied funding for students who are taught by instructors who in fact meet RCW 28A.150.203(a)’s teacher certification exemption, but who the charter school board did not explicitly determine met the exemption at the time the school contracted with the teacher. The SAO cannot create this new requirement that has no grounding in the statute.*

### ***B. The SAO Must Review Summit’s Hiring Practices as Discretionary Acts***

*Because the SAO’s finding cannot stand solely on the lack of an express determination made by Summit’s board when the uncertificated teachers were hired, the SAO must determine whether the teachers were authorized to teach under RCW 28A.150.203(7)’s exception to the certification requirement. In doing so, it is crucial that the SAO remain mindful of the discretion that the Legislature has granted to charter school boards in making hiring decisions. RCW 28A.170.030(1)(a), .040(3). The Draft Reports recognize that a charter school’s board is its “highest decision-making authority.” Just as courts “are not at liberty to substitute their judgment for that of” an agency making a discretionary decision, Washington Attorney Gen.’s Office, Pub. Counsel Unit v. Washington Utilities & Transp. Comm’n, 4 Wn. App. 2d 657, 682 (2018), the SAO is not at liberty to base its findings on its own judgment for what qualifies as an exceptional circumstance, a person of unusual competence, or the general supervision of a certificated person for Summit’s Board’s latitude to make hiring decisions. Instead, a finding can only be supported if it finds that there was no reasonable basis for finding that the exemption was met. Any other standard for reviewing Summit’s hiring decisions would be an assumption by the SAO of the discretion that the Legislature has vested in Summit’s board.*

### ***C. The SAO May Not Construe the Teacher Certification Exemption Too Narrowly***

*The Draft Reports state,*

*State law (RCW 28A.405.210, RCW 28A.410.025, WAC 392-121-200) requires all public school instructors to hold current Washington state teacher certificates except in narrow circumstances.*

*Because the SAO never asked Summit for its rationale as to why it was permitted to hire noncertificated teachers in the 2020–21 school year, and because the Draft Reports therefore do not attempt to apply RCW 28A.150.203(7)'s certification exception to the teachers at issue here, it is not clear just how narrow the SAO believes the exception to be. However, in the most recent accountability audit reports, the SAO signaled that it believed that the exception could not apply where there was no team teaching program under which a certificated teacher was physically in the room with the noncertificated teacher. This indicates that the SAO's understanding of the exception is much more narrow than the law actually requires. As in the previous audit cycle, the Draft Reports cite no statutory, regulatory, contractual, or policy definitions of "unusual competence," "exceptional cases," or "general supervision" to guide the interpretation of RCW 28A.150.203(7)'s teacher certification exemption. In the context of charter schools, the exception must be interpreted in the context of the Charter School Act, which has the express purpose of granting charter schools "flexibility to innovate in areas such as... personnel, funding, and educational programs to improve student outcomes and academic achievement." RCW 28A.710.040(3).*

*Summit reiterates that the Board of Education's regulations interpreting the substantially identical teacher certification exemption in RCW 28A.195.010(3), which applies to private schools, demonstrate that the teacher certification exemption gives wide latitude to entities making hiring decisions to determine which candidates meet the criteria for a certification exemption. In the context of the teacher certification requirement for private schools, the Board of Education has defined "exceptional case" in the context of a teacher certification exemption to mean:*

*a circumstance... within a private school in which:*

*(i) The educational program offered by the private school will be significantly improved with the employment of a non-Washington state certificated teacher. Each teacher not holding a valid Washington state certificate shall have experience or academic preparation appropriate to K-12 instruction and consistent with the school's mission...; and*

*(ii) The school employs at least one Washington state certified teacher, administrator, or superintendent who provides general supervision to any non-Washington state certificated teacher.*

*WAC 180-90-112(5)(b) (emphasis added). Similarly it defines "Unusual Competence" to mean "an exceptional case wherein the educational program . . . will be significantly improved with the employment of a non-Washington state certificated teacher." WAC 180-90-112(5)(c). Finally, it defines "General Supervision" to mean "that a Washington state certificated teacher, administrator,*

*or superintendent shall be generally available at the school site to observe and advise the teacher employed under provision of (c) of this subsection and shall evaluate pursuant to policies of the private school.” WAC 180-90-112(5)(d) (emphasis added).*

*To paraphrase, private schools comply with a substantively identical teacher certification requirement by hiring a single state-certified teacher who will be generally available to observe and advise the non-certified teachers, who may be hired as long as the school determines they bring a significant improvement to the school’s educational program. While these regulatory definitions do not apply to charter schools, they do set the mark for the minimum degree of latitude that a court will provide the charter schools in decisions to hire noncertified teachers.*

*The Attorney General has issued an opinion affirming that the Board of Education’s rules are consistent with the statutory certification exemption. The opinion concluded that the rule reasonably fills statutory gaps because the term “‘exceptional cases’ has no apparent fixed or single meaning in this context. Certainly, the Board could have defined the term more narrowly, but adoption of the most narrow definition is not legally compelled.” Wash. AGO 2003 NO. 8 (2003). If the Board of Education was not compelled to adopt the most narrow view of the certification exemption for private schools, the SAO has even less warrant to do so in the context of the certification exemption recognized in RCW 28A.710.040(2)(d). Unlike the Board of Education, the SAO does not have any rulemaking authority to set requirements for the hiring of non-certificated teachers. Rather, the SAO’s task is to apply the law as it exists to Summit’s history and determine whether Summit has met its legal and contractual obligations.*

*To be absolutely clear, in light of repeated mischaracterizations of Summit’s argument on this point by the SAO and OSPI, Summit is expressly not arguing that the Board of Education’s regulations interpreting RCW 28A.195.110(3) apply to charter schools. Rather, the Board of Education’s and the Attorney General’s interpretation of RCW 28A.195.010(3) are instructive here because “[s]tatutes in Pari materia must be construed together. Statutes in Pari materia are those which relate to the same person or thing, or the same class of persons or things.” State v. Bell, 83 Wn.2d 383, 387 (1974). Specifically, “In construing a given act, the meaning of words and terms as used therein may be gathered from the consideration of other acts in pari materia in which such words or terms were also used.” City of New Whatcom v. Roeder, 22 Wash. 570, 577 (1900).*

*Certainly, OSPI could adopt policies, guidance documents, or interpretive rules that would interpret the public school exemption from certification requirements more strictly than the one applicable to private schools. Similarly, a charter school’s authorizer could include limitations on a charter school’s ability to hire noncertificated teachers in its charter school contract. But in the absence of such additional constraints, it is deeply unfair for the SAO to apply a narrower*

*interpretation of the law than Summit could have known would apply to it at the time it made its staffing decisions.*

***D. The SAO Failed to Consider Whether Summit Teachers Substantially Complied with the Certification Requirements***

*Beyond failing to consider and correctly apply the exemption for teacher certification contained in RCW 28A.150.203(7), the Draft Reports fail to consider whether the noncertificated teachers substantially complied with the certification requirement. For example, in several instances discussed below the SAO deemed students ineligible for funding for an entire month where their teacher was granted a teaching certificate within as little as one day after the enrollment count date for that month. No Washington court would apply the law so mechanically.*

*Washington laws are to be interpreted “to carry out the legislature’s intent.” Amalgamated Transit Union Loc. No. 1576 v. Snohomish Cnty. Pub. Transp. Ben. Area, 178 Wn. App. 566, 574 (2013). Washington recognizes the substantial compliance doctrine in situations where “the [l]iteral expression of legislation may be [i]nconsistent with the general objectives or policy behind” the law. Murphy v. Campbell Inv. Co., 79 Wn.2d 417, 420 (1971). In Murphy, the court found that the superior court had “failed to give the questioned statutory scheme a rational interpretation” when it held that a contractor could not foreclose on its mechanic’s lien merely because its application for a certificate of registration was technically deficient, but where it had substantially complied with the legal requirements to meet the law’s purpose. Similarly, the Supreme Court recognized that where a water right holder provided information about its water right to the Department of Ecology, but in a technically deficient manner, the substantial compliance doctrine prohibits a literal application of the law that would lead to unnecessarily harsh results. Matter of Chumstick Creek Drainage Basin in Chelan Cnty., 103 Wn.2d 698, 704, 694 P.2d 1065, 1069 (1985).*

*Here, many of the teachers identified by the SAO as unqualified had submitted substantially complete applications for certifications to OSPI before the months that the SAO now seeks exclude from the allowable funding received by the Summit Schools. In these circumstances, the Legislature’s intent to ensure that teachers have a “a foundation of skills, knowledge, and attitudes necessary to help students with diverse needs, abilities, cultural experiences, and learning styles meet or exceed the learning goals outlined in RCW 28A.150.210; knowledge of research-based practice; and professional development throughout a career” was clearly satisfied.*

**2. COVID-19 Pandemic Was an Exceptional Circumstance**

*It should hardly need saying that schools faced one of the most exceptional circumstances imaginable during the 2020–21 school year. In the early stages of the COVID-19 pandemic, schools were still learning to conduct their activities,*

*both in-class and administrative, remotely. Remote work also impacted the state agencies that they worked with. Of particular import here, the pandemic significantly slowed down OSPI's processing time for teachers certificates, with many of the Summit teachers identified by the SAO as uncertificated having submitted complete or substantially complete applications for certificates well in advance of beginning their teaching activities. Another problem faced by many of the teachers discussed below was a difficulty in finding a fingerprinting location that remained open during the pandemic. This made it impossible for them to prepare a complete certificate application required by OSPI.*

### **3. Each of the Noncertificated Teachers Identified by the SAO Was Qualified to Teach at the Summit Schools**

*This section will show that all of the noncertificated teachers that Summit hired for the 2020–21 school year were of unusual competence to deliver a top-flight education to Summit's students. Among the teachers deemed "unqualified" by the SAO are teachers with doctorate and master's degrees in subject matters they would be teaching in Summit's classrooms, teachers with experience inspiring students from a broad array of cultures, and teachers who had experience translating success in high school to success in college.*

*Moreover, many of the teachers deemed unqualified by the SAO were only uncertificated due to delays arising solely a result of administrative delays or ministerial issues with their applications which were exacerbated by the ongoing COVID-19 pandemic. Those teachers therefore had substantially complied with the teacher certification requirement and cannot be relied on by the SAO to reduce the number of students that the Summit schools were permitted to claim for funding.*

#### ***A. Atlas Instructor #1***

*The SAO has identified filmmaking and theater students taught by Atlas Instructor #1 from September 2020 through January 2021 as ineligible for public funding. Atlas Instructor #1 holds a bachelor's degree in English with emphases in education and theatre arts. Atlas Instructor #1 has 5 years of teaching experience as an English and drama teacher. Prior to joining the Summit faculty, Atlas Instructor #1 served as a Theatre Director at a high school in California for 2 years.*

*Atlas Instructor #1 is certified in the State of California with a Single Subject Teaching Credential in English and currently holds a Washington residency certificate. Summit's Board granted them an out-of-endorsement approval for Theater on August 13, 2020.*

*Atlas Instructor #1 joined Summit to fill a position part way through the school year. They joined with a wealth of experience and knowledge in a very specific craft - theater. Atlas Instructor #1 helped to found the Drama Club, which produced both*

*musicals and dramas. Under Atlas Instructor #1's guidance, students filled the roles of director, stage design, and actors.*

*Atlas Instructor #1 received an English language arts and English language earner endorsements on January 24, 2021. Throughout their application process, Atlas Instructor #1 was making continued progress toward their certification by, among other things, completing the required testing and submitting test records to OSPI when received from the testing agency. The extended closure of testing sites during the pandemic created significant roadblocks to timely completion of certification action items.*

*Atlas Instructor #1 is an educator of unusual competence with a unique background that made them exceptionally well-qualified to teach at Summit: Atlas. Moreover, because the COVID-19 pandemic caused the delay in her ability to receive a certificate, which they ultimately received, they were in substantial compliance with the certification requirement.*

### ***B. Atlas Instructor #2***

*The SAO identified history students taught by Atlas Instructor #2 in January 2020 as ineligible for public funding. Atlas Instructor #2 holds a bachelor's degree in English and creative writing. Prior to joining Summit, Atlas Instructor #2 had six years of experience teaching English, humanities, and history in Poland, New York, and California.*

*After facing delays in obtaining fingerprints due to COVID-19, Atlas Instructor #2 applied for a conditional certificate, which was submitted on September 9, 2020, and received a temporary permit on September 9, 2020. The SAO's determination that their students that month are ineligible for public funding is based on two days of teaching after the enrollment count date in which they had not yet received the certificate from OSPI.*

*Atlas Instructor #2 is an educator of unusual competence who Summit hired in the unusual circumstances of the COVID-19 pandemic. Moreover, the fact that they received their certificate within days of the September enrollment count date shows that they was in substantial compliance with the certification requirement, and that their students were eligible for public funding.*

### ***B. Atlas Instructor #3***

*The SAO has identified math students taught by Atlas Instructor #3 from September 2020 through March 2021 as ineligible for public funding. Atlas Instructor #3 came to Summit with a bachelor's degree in economics and a teaching certification in Texas. They were a Teach for America ("TFA") Corps member and had completed their first year of the program in Texas and was returning to Washington to finish their commitment with TFA.*

*Atlas Instructor #3's undergraduate degree in economics gave them an extremely strong background in upper level mathematics. Upper level math competency is critical for teaching AP Calculus and is a difficult position to fill. Atlas Instructor #3's educational background, teaching credential in another state, and supplemental training from TFA made them stand out as a person with unusual competence and ability to be successful in the role. Summit's hiring manager reported that they were by far the strongest candidate that interviewed for math that year due to their teaching experience at TFA and strong math background.*

*In August 2020, before they began teaching at Summit, Atlas Instructor #3 applied to have their Texas certification transferred to Washington. They were eventually granted a temporary certificate. Given that Atlas Instructor #3 sought to transfer their credential during the peak of the COVID-19 pandemic, they faced numerous barriers with respect to timing. Despite reasonable efforts to complete steps in the process, most government and education institutions were physically closed and only responding via email. OSPI was extremely slow with requests taking from six to eight weeks for even initial processing. Atlas Instructor #3 also had a particular challenge getting their SAT scores and verification from their prep program which were required to transfer their Texas credential.*

*Atlas Instructor #3 is an educator of unusual competence in a field in which it is difficult to find teachers with the necessary knowledge base. Moreover, Atlas Instructor #3 took appropriate steps to secure a Washington teacher's certificate before they taught at Summit: Atlas but was delayed due to administrative issues. Atlas Instructor #3 was qualified to teach at Summit, and their students were eligible for public funding.*

### ***C. Sierra Instructor #1***

*The SAO has identified AP Government students taught by Sierra Instructor #1 in June of 2021 as ineligible for public funding. Sierra Instructor #1 has a bachelor's of science in Biology with a minor in Psychology of Crime and Justice from Loyola University—Chicago. They received their doctorate in Educational Leadership at DePaul University where their research was titled, "Am I a Systemic Inequity Interrupter? Understanding the Influence of Critical Race Educating Through the Narratives of Alternative Ed Black Educators". Sierra Instructor #1 began their teaching career as a high school science teacher.*

*In July 2018, Sierra Instructor #1 received their Residency Administrator Credential with a Principal endorsement. In their role, and with this credential, they were responsible for mentoring and providing professional development of teachers, including the AP Government teacher.*

*After a teacher's unexpected and immediate resignation in the final month of the 2021 school year, Sierra Instructor #1 covered the remaining seventeen (17) school days for the Sierra AP Government class. Students had already taken the AP exam*

*at this time and there was no opportunity to hire a new teacher in the final weeks of the school year. The SAO deemed Sierra Instructor #1 an unallowable teacher because they hadn't applied for a Government endorsement prior to assuming this emergency role at the end of SY21. Sierra Instructor #1 is clearly an educator of unusual competence who stepped in to fill a teaching vacancy that arose in the exceptional circumstance of a teacher resigning during the school year. The students who were taught by Sierra Instructor #1 for the last month of the school year were therefore eligible for public funding.*

#### ***D. Sierra Instructor #2***

*The SAO identified Spanish students taught by Sierra Instructor #2 during the entire 2020–21 school year as ineligible for public funds. Sierra Instructor #2 holds a bachelor's degree in history and Spanish. Sierra Instructor #2 is certified in the State of Colorado to teach Spanish (grades K-12). They were hired with 5 years of out-of-state teaching experience as a Spanish teacher.*

*Sierra Instructor #2 submitted an application for both a Residency certificate and substitute teacher certificate on July 1, 2019. After the initial review by OSPI on September 5, 2019, the application was considered deficient.*

*Sierra Instructor #2 is an educator of unusual competence who taught at Summit during exceptional circumstances. Therefore, their students were eligible for public funding.*

#### ***E. Sierra Instructor #3***

*The SAO has identified AP English students that Sierra Instructor #3 taught from September to December 2020 as ineligible for public funding. Sierra Instructor #3 holds a bachelor's degree in child & adolescent development and a California teaching certification in English. They came to Summit with 6 years of teaching experience in secondary classrooms. They currently hold a Washington residency certificate and has an English language learner endorsement.*

*Sierra Instructor #3 is a TFA graduate. Their experience includes teaching both Math and English. When they moved to Washington and applied to teach at Summit Sierra, they had experience teaching within the Summit Learning curriculum at a school in California giving their unique experience.*

*Sierra Instructor #3 applied to transfer their certification from California to Washington but faced significant administrative delays despite the active coordination between them, Summit, and TFA to get the process completed. An interim clearance due to COVID was issued by OSPI on June 30, 2020.*

*Sierra Instructor #3's particular experience within Summit's educational system, as well as their strong background with TFA and in the classroom made them a candidate of unusual competence. Moreover, the fact that they had an interim*

*clearance from OSPI and did successfully secure a Washington residency certificate establish that they were in substantial compliance with the State's certification requirement. Their students were therefore eligible for public funding.*

#### ***F. Sierra Instructor #4***

*The SAO identified world studies students taught by Sierra Instructor #4 in February and March 2021 as ineligible for public funding. Sierra Instructor #4 holds a bachelor's degree in communication studies, a master's degree in history, and a doctorate in curriculum instruction in multicultural education. Sierra Instructor #4 has substantial higher education experience and started student teaching in October of 2020. Sierra Instructor #4 currently holds a Washington residency certificate First Issue.*

*Prior to their application, Summit and our students faced an urgent need when a teacher resigned their position mid-year. Sierra Instructor #4 was one of only two candidates who applied. Upon a thorough review of their background and qualifications, Sierra Instructor #4 was deemed better qualified for teaching high school history and a better fit for our school.*

*As with other teachers who were hired during this period, the ability to get quality fingerprints caused a delay in submitting a complete teacher certification application. Sierra Instructor #4 was not responsible for the quality of the fingerprints taken at the state-approved location Sierra Instructor #4's application for a conditional certificate was submitted on March 5, 2021 and the certificate was issued on March 10, 2021.*

*Sierra Instructor #4's doctorate and experience in higher education clearly make them an educator of unusual competence, particularly for Summit, which aims to prepare all of its students for a successful college career. Moreover, they were hired to fill an urgent, unanticipated, and exceptional staffing need. Sierra Instructor #4 applied for and secured a teacher's certificate as quickly as possible during the pandemic. Sierra Instructor #4 qualified for the exception to and was in substantial compliance with the teacher certification requirement. Sierra Instructor #4 was clearly a qualified educator and their students were therefore eligible for public funding.*

#### ***G. Sierra Instructor #5***

*The SAO identified world studies students taught by Sierra Instructor #5 in September and October 2020 as ineligible for public funding. Sierra Instructor #5 holds a bachelor of science in secondary education cognate with an emphasis in English. In addition to teaching humanities, Sierra Instructor #5 has experience as a Line therapist and applied behavior analyst. Sierra Instructor #5 is licensed to teach English in the state of South Carolina. Sierra Instructor #5 currently holds a Washington residency teacher certificate.*

*Sierra Instructor #5 was hired during the pandemic and therefore predictably faced delays in transferring their credential from South Carolina. They applied for a residency teacher certificate on August 14, 2020. A temporary permit issued on October 8, 2020. Due to fingerprint location closures, the interim clear caused a disconnect between the issue of interim clear prints and any/all permit and certificate applications and documents.*

*Sierra Instructor #5 is an educator of unusual competence with unique experience as a therapist and applied behavior analyst. Moreover, they submitted their completed application for a certificate before they began teaching Summit students and was therefore in substantial compliance with the certification requirement. Sierra Instructor #5's students were eligible for public funds.*

#### ***H. Sierra Instructor #6***

*The SAO identified biology students taught by Sierra Instructor #6 in September and October 2020 as ineligible for public funds. Sierra Instructor #6 holds a bachelor of arts in biology, a master of arts degree in teaching, and a master of science degree in biomedical sciences. Sierra Instructor #6 has more than five years of classroom experience teaching a variety of science subjects, including chemistry and physics. Sierra Instructor #6 holds a teaching license in Massachusetts and now holds a Washington residency certificate with a biology and English learner endorsements.*

*Sierra Instructor #6 was hired at the start of the pandemic, and experienced delays in transferring their teaching license from Massachusetts. Their application for residency teacher certificate was submitted on May 29, 2020. Fingerprint clearance received on July 9, 2020. Due in large part to COVID, Sierra Instructor #6's application for a certificate took an unusually long time to process.*

*With several post-graduate degrees and a deep subject matter expertise, Sierra Instructor #6 is an educator of unusual competence. Moreover, they had submitted their application for a teacher certificate well before they taught Summit students during this audit period. They were therefore in substantial compliance with the state's teacher certification requirement. Sierra Instructor #6's students are therefore eligible for public funding.*

#### ***I. Sierra Instructor #7***

*The SAO identified ethnic studies, student leadership, and photo composition students that Sierra Instructor #7 taught during the 2020–21 school year as ineligible for public funding. Sierra Instructor #7 holds a bachelor's degree in American ethnic studies and a master's degree in education. Their experience ranges from student teaching, mentoring, and a serving as an academic advisor.*

*Sierra Instructor #7 taught elective courses at Summit and brought their experience of being an academic adviser at the University of Washington to help students prepare for their postsecondary pathway. Sierra Instructor #7 is also a pillar in the Seattle community and has worked with youth and college level students for many years, specifically focusing on empowering them to achieve success in college, in their careers, and in life.*

*Sierra Instructor #7's deep experience counseling students to be successful in college made them a standout candidate for Summit, which strives to prepare its students for success in college. Sierra Instructor #7 is therefore an educator of unusual competence who was qualified to teach at Summit without a certificate. Their students were therefore eligible for public funding.*

**A. Sierra Instructor #8**

*The SAO identified AP environmental science students taught by Sierra Instructor #8 in September, 2020 as ineligible for public funding. Sierra Instructor #8 obtained a certificate on September 11, 2020. They were therefore in substantial compliance with the state certification requirement, and their students were eligible for public funding.*

**4. The Audit Process**

*Finally, I must note some degree of frustration with the double standard that the SAO seems to apply to deadlines in this process. The accountability audits for the last audit cycle were issued in March of this year, nearly six months beyond the originally estimated completion date. This extended delay significantly impacted Summit: Atlas's charter contract renewal process. While Summit appreciates that the SAO avoided such an extended delay this time, it was rather surprising when the SAO refused Summit's request for a ten-day extension to prepare this response because it was committed to "releasing the Audit Report timely." This surprise was compounded when, upon learning that I planned to attend the exit conference, the SAO asked to move the exit conference to a date that would make this response due three days before the date we originally asked for. The SAO seems to be only willing to delay the release of its reports when it suits its interests.*

*This is particularly troubling because the draft findings contain conclusions based on facts that were not fully investigated in the iterative dialogue between Summit and the SAO during the audit. The Draft Reports state that "the school provided no evidence that these three non-certificated instructional staff were determined to meet any exceptions to certification at time of hiring." But the SAO's inquiry was limited to the bare facts about who was certified when; the SAO never asked Summit for its view as to why the teachers were qualified.*

*The SAO's findings last audit cycle and its draft findings in this one implicate millions of dollars that are supposed to go toward educating Washington public*

*school students. Yet for the second year in a row, the SAO has made clear that it is not inclined to give Summit a reasonable amount of time to respond to these weighty, fact-intensive issues. We sincerely hope that this dynamic can improve in the audits ahead.*

### ***Auditor's Remarks***

We carefully considered all supporting information provided by Summit Public Schools during our audit. Evaluating teacher qualifications is outside our audit authority and was not included in our audit scope. Rather, we carefully reviewed documents to determine if teacher certification was obtained by the statutorily required reporting dates.

Washington charter schools are public schools and must follow Washington teacher certification requirements. We confirmed during the audit that the charter school did not have a Co-Teaching Model under RCW 28A.150.203(7) or its equivalent and did not supply supporting documentation that would have allowed for exceptions to the teacher certification requirements at the time of hiring or appointment as a teacher.

OSPI calculated the estimated overpayments of apportionment funding based on the results of our audit.

We reaffirm our finding and will review its status during our next regularly scheduled audit.

### ***Applicable Laws and Regulations***

Charter School Contract, Section 5.13—Staff Qualifications:

Instructional staff, employees, and volunteers shall possess all applicable qualifications as required by state or federal law. Instructional staff shall maintain active certification in accordance with chapter 28A.410 RCW, unless instructional staff meets the requirements of RCW 28A.150.203(7).

RCW 28A.150.203—Definitions.

- (3) “Certificated employee” as used in this chapter and RCW 28A.195.010, 28A.405.100, 28A.405.210, 28A.405.240, 28A.405.250, 28A.405.300 through 28A.405.380, and chapter 41.59 RCW, means those persons who hold certificates as authorized by rule of the Washington professional educator standards board.

- (4) “Certificated instructional staff” means those persons employed by a school district who are nonsupervisory certificated employees within the meaning of RCW 41.59.020(8), except for paraeducators.
- (7) “Classroom teacher” means a person who holds a professional education certificate and is employed in a position for which such certificate is required whose primary duty is the daily educational instruction of students. In exceptional cases, people of unusual competence but without certification may teach students so long as a certificated person exercises general supervision . . . .

RCW 28A.710.040—Charter schools—Requirements.

- (1) A charter school must operate according to the terms of its charter contract and the provisions of this chapter.
- (2) A charter school must:
  - (d) Employ certificated instructional staff as required in RCW 28A.410.025. Charter schools, however, may hire noncertificated instructional staff of unusual competence and in exceptional cases as specified in RCW 28A.150.203(7) . . .
- (3) Charter public schools must comply with all state statutes and rules made applicable to the charter school in the school's charter contract, and are subject to the specific state statutes and rules identified in subsection (2) of this section . . .
- (5) Charter schools are subject to the supervision of the superintendent of public instruction and the state board of education, including accountability measures, to the same extent as other public schools, except as otherwise provided in this chapter.

RCW 28A.410.025—Qualifications—Certificate or permit required.

No person shall be accounted as a qualified teacher within the meaning of the school law who is not the holder of a valid teacher's certificate or permit issued by lawful authority of this state.

WAC 392-121-106—Definition—Enrolled student.

As used in this chapter, “enrolled student” means a person residing in Washington state who:

- (4) Actually participated on a school day during the first four school days of the current school term (semester or quarter), or on a school day during the current school year on or prior to the date being

counted, in a course of study offered by the school district or charter school as defined in WAC 392-121-107 . . . .

WAC 392-121-107—Definition—Course of study.

As used in this chapter, “course of study” means those activities for which students enrolled pursuant to chapters 180-16, 180-51, 392-169, 392-134, and 392-410 WAC may be counted as enrolled students for the purpose of full-time equivalent student enrollment counts.

(1) Course of study includes:

(a) Instruction - Teaching/learning experiences conducted by school district staff as directed by the administration and the board of directors of the school district, or teaching/learning experiences conducted by charter school staff as directed by the charter school administration and charter school board.

WAC 392-121-200—Definition—Certificated employee.

As used in this chapter, “certificated employee” means: A person who holds a professional education certificate issued by the superintendent of public instruction and who is employed by a school district or charter school in a position for which such certificate is required by statute, rule of the professional educator standards board, or written policy or practice of the employing

WAC 392-348-210 – Basic Policy

Believing that the welfare of the state and its children require secondary schools which (1) can provide a comprehensive program broad enough to meet the varied needs, abilities and interest of students, (2) are adequately staffed with certificated teachers assigned to teach in their fields of competency, (3) are administered by properly certified personnel, (4) can provide adequate pupil-personnel service, (5) can provide school plant facilities suitable to the type of organization and program offered, (6) can give assurance of financial ability and willingness to construct, maintain and operate the facility, and (7) do not duplicate existent educational facilities and/or programs, it shall be the policy of the superintendent of public instruction to approve applications for the establishment in any high school district of any secondary program or any new grades in grades nine through twelve only when there is evidence that the foregoing conditions can be fulfilled.

WAC 181-82-110—School district response and support for nonmatched endorsements to course assignment of teachers.

1) Individuals with initial, residency, endorsed continuing, professional, or emergency teacher certificates who are employed with a school district may be assigned to classes other than in their areas of endorsement. If teachers are so assigned, the following shall apply:

(b) Such teaching assignments shall be approved by a formal vote of the local school board for each teacher so assigned.

RCW 28A.230.320—Emergency waivers from credit and subject area graduation requirements.

Beginning with the class of 2020, the state board of education may authorize school districts to grant individual student emergency waivers from credit and subject area graduation requirements established in RCW 28A.230.090, the graduation pathway requirement established in RCW 28A.655.250, or both . . . .



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### Summit Public Schools – Atlas September 1, 2020 through August 31, 2021

This schedule presents the status of findings reported in prior audit periods.

<b>Audit Period:</b> September 1, 2019 – August 31, 2020	<b>Report Ref. No.:</b> 1030058	<b>Finding Ref. No.:</b> 2020-001				
<b>Finding Caption:</b> <p>The Summit Public Schools Washington – Atlas students were taught by non-certificated teachers resulting in the school receiving unallowable funding.</p>						
<b>Background:</b> <p>During the audit period, the Board contracted with 12 instructional staff who did not hold current Washington state teacher certificates during the 2019-2020 school year. Ten of these instructors did not have any type of Washington instructional certification for the entire 2019-2020 school year. The school's initial offer letters for these staff members listed standard pre-employment documentation requirements, which included "confirmation of possession of a Washington teaching credential, or proof of an application to obtain one." The offer letters also included a statement that the employment offer was "subject to all current laws of the State of Washington [and] rules and regulations of the State Board of Education of Washington.</p> <p>The school incorrectly reported six employees as instructional staff on its annual S-275 report, which provides OSPI with a record of the school's certificated and classified staff for calculating apportionment funding. OSPI's staff reporting guidance emphasizes that schools must carefully complete the report to ensure accuracy. Staff reporting and student enrollment reporting determines the allocation of state funds going to the charter school.</p> <p>Twelve non-certificated Washington instructional staff taught classes to students (151.03 Annual Average Full Time Equivalent). This resulted in the school receiving an estimated \$2,184,855 more in apportionment funds than it should have.</p>						
<b>Status of Corrective Action: (check one)</b> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Fully Corrected</td> <td><input type="checkbox"/> Partially Corrected</td> <td><input type="checkbox"/> Not Corrected</td> <td><input type="checkbox"/> Finding is considered no longer valid</td> </tr> </table>			<input checked="" type="checkbox"/> Fully Corrected	<input type="checkbox"/> Partially Corrected	<input type="checkbox"/> Not Corrected	<input type="checkbox"/> Finding is considered no longer valid
<input checked="" type="checkbox"/> Fully Corrected	<input type="checkbox"/> Partially Corrected	<input type="checkbox"/> Not Corrected	<input type="checkbox"/> Finding is considered no longer valid			
<b>Corrective Action Taken:</b> <p><i>The school continues to work with our stakeholders to evaluate this process and its applicability to our operations. In addition, the school has tightened its procedures around</i></p>						

*tracking all certifications held by its instructional staff. This includes an ongoing review and follow-up process by the Human Resources and Credentialing Manager and the School Executive Director with any staff with a credential up for renewal or staff proactively seeking an additional certification or endorsement based on any potential change in their content area or role placement. The Summit Public Schools Washington Board of Directors has established a standing agenda item at every meeting to consider teacher credentialing matters.*

*In addition, the Human Resources and Credentialing Manager has received training from the Office of Superintendent of Public Instruction (OSPI) for Personnel Reporting (S-275), which includes proper coding, the roles/functions to be contained in the report, and troubleshooting. The Credentialing Manager will continue to work with the Office of Superintendent of Public Instruction (OSPI) in Fall 2022 when it comes time to submit the initial S-275 report for the 2022 - 2023 school year to ensure the S-275 report is completed accurately and completely.*

<b>Audit Period:</b> September 1, 2019 – August 31, 2020	<b>Report Ref. No.:</b> 1030058	<b>Finding Ref. No.:</b> 2020-002
<b>Finding Caption:</b> <p>The charter public school's Board of Directors did not fully comply with the requirements for timely review and approval of payments.</p>		
<b>Background:</b> <p>During the audit period, the Board held its regular board meetings on a bi-monthly basis. As part of our audit, we reviewed minutes for the six regular meetings the Board held between October 17, 2019 and August 13, 2020. We found the following concerns:</p> <ul style="list-style-type: none"> <li>• The Board approved expenditures two-to-three months after the school paid them.</li> <li>• The Board did not approve July 2020 expenditures until three months later on October 15, 2020, which was after the end of the school year.</li> <li>• The Board collectively approved expenditures for all Summit Public Schools. The Board's meeting minutes did not identify or separate expenditures by each school.</li> </ul> <p>The Summit Atlas contract requires the Board to provide timely approval of payments required through the Accounting Manual for Public School Districts in the state of Washington. The school's charter contract with the Washington State Charter Commission does not exempt the Board from complying with the requirements for the timely approval of payments.</p> <p>Since the Board only held bi-monthly meetings, it did not approve its accounts payable and payroll expenditures until two-to-three months after staff had already issued payments. We found six instances where the Board did not approve public expenses for at least three months. By not reviewing payments timely, the Board is not meeting its responsibility of safeguarding public funds and providing oversight of Summit Atlas's operations.</p>		
<b>Status of Corrective Action: (check one)</b>		
<input checked="checked" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid		
<b>Corrective Action Taken:</b> <p><i>The SPS Washington Board of Directors approved an annual meeting calendar that ensures adequate monitoring, review, and timely approval of accounts payable disbursements. Since May of 2022, the Board has met meeting monthly for regular business, including reviewing the previous month's public expenditures.</i></p>		

## RELATED REPORTS

### Financial

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 CHARTER PUBLIC SCHOOL

Summit Public Schools – Atlas, located in King County, provided educational services to approximately 458 students in grades 6 to 12 during the 2020-2021 school year.

The Charter Public School is a 501(c)(3) nonprofit corporation established under RCW 28A.710.020 and it is governed by a three-to-nine member appointed Board of Directors.

The Board establishes policies for the Charter Public School according to the terms of a renewable, five-year charter contract executed under RCW 28A.710.160. Summit Public Schools - Atlas is authorized by the Washington State Charter School Commission. It was established by a five-year contract effective August 22, 2017 and terminating August 22, 2022.

The Charter Public School was allocated approximately \$6.1 million in direct state and federal funding for fiscal year 2021. The Charter Public School operates in one building and employs approximately 39 employees.

Contact information related to this report	
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*Information current as of report publish date.*

## Audit history

You can find current and past audit reports for the Atlas at <http://portal.sao.wa.gov/ReportSearch>.

## ABOUT THE STATE AUDITOR'S OFFICE

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

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

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