



Office of the Washington State Auditor  
Pat McCarthy

## **Accountability Audit Report**

# **Summit Public Schools Washington - Sierra**

**For the period September 1, 2021 through August 31, 2022**

*Published April 10, 2023*

Report No. 1032355



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

April 10, 2023

Board of Directors  
Summit Public Schools Washington – Sierra  
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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## TABLE OF CONTENTS

Audit Results.....	4
Summary Schedule of Prior Audit Findings .....	5
Related Reports .....	7
Information about the Charter Public School .....	8
About the State Auditor's Office.....	9

## AUDIT RESULTS

### Results in brief

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

However, we noted certain matters related to theft sensitive assets that we communicated to Charter Public School management and the Board of Directors in a letter dated April 3, 2023. We appreciate the Charter Public School's commitment to resolving those matters.

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 the Summit Public Schools Washington – Sierra from September 1, 2021 through August 31, 2022.

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, 2022, the areas examined were those representing the highest risk of fraud, loss, abuse, or noncompliance. We examined the following areas during this audit period:

- Use of restricted funds – professional learning
- Teacher Certification
- Accounts payable – general disbursements, credit cards
- Student enrollment reporting – special education and basic enrollment
- Tracking and monitoring of theft sensitive assets, such as computers, and equipment
- Cash receipting – completeness of deposits, voids, and adjustments
- Open public meetings – compliance with minutes, meetings, and executive session requirements



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

### Summit Public Schools Washington - Sierra September 1, 2021 through August 31, 2022

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

<b>Audit Period:</b>	<b>Report Ref. No.:</b>	<b>Finding Ref. No.:</b>
September 1, 2020 through August 31, 2021	1031146	2021-001
<b>Finding Caption:</b> The Summit Public Schools Washington – Sierra students were taught by non-certificated teachers resulting in the school receiving unallowable funding.		
<b>Background:</b> Summit Sierra’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.  During the audit period, the Board contracted with 11 instructional staff who did not hold current Washington state teacher certificates during the 2019-2020 school year. Seven 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.  The school incorrectly reported 14 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.		

**Status of Corrective Action: (check one)**☒ Fully  
Corrected☐ Partially  
Corrected☐ Not Corrected☐ Finding is considered no  
longer valid**Corrective Action Taken:**

*While the school disagrees with the characterization of its legal obligations as set out above, it has taken steps to address the conditions underlying the 2019-2020 and 2020-2021 audit findings by improving its internal tracking procedures and ensuring that all of its instructional staff hold current Washington teacher certificates. 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 has continued to work with the Office of Superintendent of Public Instruction (OSPI) when S-275 reports are due, ensuring they are completed accurately and completely.*

## RELATED REPORTS

### Financial

A financial statement audit was performed by a firm of certified public accountants. That firm's fiscal year ended August 31, 2022 report is available on our website, <http://portal.sao.wa.gov/ReportSearch>.

## INFORMATION ABOUT THE CHARTER PUBLIC SCHOOL

Summit Public Schools - Sierra, located in King County, provided educational services to approximately 303 students in grades 9 through 12 during the 2021-2022 school year.

The Charter Public School is a 501(c)(3) nonprofit corporation established under RCW 28A.710.020 and governed by a three to nine-member appointed Board of Directors, that 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 - Sierra is authorized by the Washington State Charter School Commission established by a five-year contract effective August 17, 2021 and terminating August 17, 2026.

The Charter Public School was allocated approximately \$4.6 million in direct state and federal funding for fiscal year 2022. The Charter Public School operates in one building and employs approximately 31 employees.

Contact information related to this report	
Address:	Summit Public School: Sierra 1025 S. King Street Seattle, WA 98104
Contact:	Matthew Ochoa, Director of Finance
Telephone:	(831) 331-5941
Website:	<a href="http://www.summitps.org">www.summitps.org</a>

*Information current as of report publish date.*

### Audit history

You can find current and past audit reports for the Summit Public Schools Washington - Sierra 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.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, [www.sao.wa.gov](http://www.sao.wa.gov). Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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