



Office of the Washington State Auditor  
Pat McCarthy

# Whistleblower Investigation Report

## Bates Technical College

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

May 25, 2023

Lin Zhou, President  
Bates Technical College

**Report on Whistleblower Investigation**

Attached is the official report on Whistleblower Case No. 22014 at Bates Technical College.

The State Auditor's Office received an assertion of improper governmental activity at the College. This assertion was submitted to us under the provisions of Chapter 42.40 of the Revised Code of Washington, the Whistleblower Act. We have investigated the assertion independently and objectively through interviews and by reviewing relevant documents. This report contains the results of our investigation.

If you are a member of the media and have questions about this report, please contact Director of Communications Kathleen Cooper at (564) 999-0800. Otherwise, please contact Assistant Director for State Audit and Special Investigations Jim Brownell at (564) 999-0782.

Sincerely,

Pat McCarthy, State Auditor  
Olympia, WA

cc: Governor Jay Inslee  
Christine Winskill, Executive Director of Finance  
Kate Reynolds, Executive Director, Executive Ethics Board  
Erin Anderson, Special Investigations Program Manager

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# WHISTLEBLOWER INVESTIGATION REPORT

## Assertion(s) and Results

Our Office received a whistleblower complaint asserting that a Technical High School Dean (Subject 1) and Technical High School Counselor (Subject 2) inaccurately reported enrollment to the Office of Superintendent of Public Instruction (OSPI), resulting in the College receiving an overpayment in funds because of overstated enrollment counts. Specifically, the complaint asserted that the subjects included students who had dropped out of classes or were not performing academically in the monthly enrollment reports to OSPI. The complaint further asserted that the subjects knew about the overstated enrollment, but they continued to authorize inaccurate reporting to OSPI.

We found no reasonable cause to believe an improper governmental action occurred.

## Background

Bates Technical College is a comprehensive, state-supported college serving people primarily in Pierce County. With more than 300 employees, the College provides a variety of standard and unique educational programs to students. The College is accredited through the Northwest Commission on Colleges and Universities, and a five-member Board of Trustees appointed by the Governor is responsible for oversight of the College's operations.

The College operates a Technical High School (THS) program in which students take courses to earn high school graduation credit. OSPI provides the College with enrollment-based funding to operate the program. Every month, the College must report its full-time enrollment (FTE) count to Puget Sound Educational Service District (ESD) and OSPI for funding, which is awarded on a quarterly basis. The FTE count includes specific information about each student, including high school grade level, school district, and vocational and nonvocational credits.

## About the Investigation

We received a whistleblower complaint asserting the subjects grossly mismanaged their responsibilities by including students who dropped out of classes or were not performing academically in monthly enrollment reports to OSPI, resulting in overstated enrollment counts and the College receiving an overpayment in funds.

To determine whether an improper governmental action occurred, we interviewed multiple staff from OSPI, Puget Sound ESD, and the College to gain an understanding of the THS program and the monthly enrollment reporting process. We learned the College's THS Records Specialist is solely responsible for the monthly enrollment reporting. The THS Records Specialist submits the data to Puget Sound ESD for verification, then it is routed to OSPI for quarterly funding allocations. We further learned there is no documented monitoring or approval of the THS Record Specialist's reporting before it is submitted to Puget Sound ESD or OSPI.

During an interview with Subject 2, we learned each instructor is responsible for informing Subject 2 about students who are not attending or actively participating in class. Subject 2 is then responsible for contacting students and investigating their absences or lack of participation. Students or their parents/guardians may decide to withdraw them from the program. Subject 2 is responsible for communicating withdrawals to the College's High School Outreach Specialist, who performs admissions and withdrawals in the ctcLink system. After speaking with multiple witnesses, we found the College has not formally documented this process.

In an interview with Subject 1, we learned they do not monitor enrollment reporting or THS students' attendance. As the THS Dean, Subject 1's primary responsibilities include principal-related duties, such as disciplinary actions, code of conduct enforcement, budgeting, and advocacy.

To determine if students who withdrew from a THS class were counted in the subsequent month's enrollment reporting, we cross-matched notifications sent by email to Subject 2 with the enrollment reports. We verified the students we selected were not counted in the subsequent month's enrollment reporting that the College submitted to OSPI for funding.

We determined the subjects did not grossly mismanage their responsibilities, because:

- We found no evidence that the College overstated THS enrollment by including students who had withdrawn from the program.
- Neither subject is formally responsible for monthly enrollment reporting.
- Subject 1 only performs principal-level duties for the THS program.
- Subject 2 is not responsible for processing withdrawals in the ctcLink system.

In conclusion, we found no reasonable cause to believe an improper governmental action occurred.

## **Recommendation**

As stated above, we found the College has not implemented formal policies or procedures that define the roles and responsibilities of THS employees.

We recommend the College:

- Establish a process to track student attendance within the THS program
- Ensure management monitors to verify monthly enrollment reporting is accurate
- Develop formal policies and procedures regarding THS attendance requirements and staff expectations

## **State Auditor's Office Concluding Remarks**

We thank College officials and personnel for their assistance and cooperation during the investigation.

## WHISTLEBLOWER INVESTIGATION CRITERIA

We came to our determination in this investigation by evaluating the facts against the criteria below:

### **RCW 42.40.202(4) – State employee whistleblower protection, states in part:**

- (4) “Gross mismanagement” means the exercise of management responsibilities in a manner grossly deviating from the standard of care or competence that a reasonable person would observe in the same situation.

### **WAC 392-121-187 – Technical college direct funded enrollment.**

- (2) The technical college shall report enrolled students monthly (September through June) to the superintendent of public instruction pursuant to this chapter and instructions provided by the superintendent. A separate report shall be submitted for each school district whose students are reported. Reports of students eligible for state basic education support shall show the total number of students served and total nonvocational and vocational FTE students on the monthly count date. Reports shall also show the name of each student, hours of enrollment per week on the monthly count date, and the nonvocational and vocational full-time equivalent reported for the student on the count date.
- (3) The technical college shall report monthly to each school district whose students are served pursuant to this section. The report shall include at a minimum the data reported to the superintendent of public instruction pursuant to subsection (2) of this section.
- (4) The technical college shall report only students who:
  - (a) Were under twenty-one years of age at the beginning of the school year;
  - (b) Are enrolled tuition-free;
  - (c) Are enrolled in a school district with which the technical college has a signed interlocal agreement on file with the superintendent of public instruction pursuant to subsection (1) of this section;
  - (d) Are enrolled in the school district for the purpose of earning a high school diploma or certificate; and
  - (e) Have actually participated in instructional activity at the technical college during the current school year.
- (5) Enrollments claimed for state basic education funding by the technical college:
  - (a) Shall be for courses for which the student is earning high school graduation credit through the school district or the technical college; and

(b) Shall not include:

- (i) Enrollment which is claimed by the school district for state funding; or
- (ii) Enrollment which generates state or federal moneys for higher education, adult education, or job training for the technical college.

(6) Full-time equivalent students reported by the technical college for state basic education funding shall be determined pursuant to C 392-121-106 through 392-121-183 except that the enrollment count dates shall be for the months of September through June. If a student is enrolled in courses provided by the school district as well as courses provided by the technical college, the combined full-time equivalents reported by the school district and the technical college are limited by WAC 392-121-136.