

Washington State Auditor's Office
Accountability Audit Report

**Grant County Public Hospital District
No. 1
(Samaritan Healthcare)**

Report Date
January 17, 2014

Report No. 1011300

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February 18, 2014



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

February 18, 2014

Board of Commissioners
Samaritan Healthcare
Moses Lake, Washington

Report on Accountability

We appreciate the opportunity to work in cooperation with your District to promote accountability, integrity and openness in government. The State Auditor's Office takes seriously our role to advocate for government accountability and transparency and to promote positive change.

Please find attached our report on Samaritan Healthcare's accountability and compliance with state laws and regulations and its own policies and procedures. Thank you for working with us to ensure the efficient and effective use of public resources.

Sincerely,

TROY KELLEY
STATE AUDITOR

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Grant County
January 17, 2014**

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Audit Summary

Samaritan Healthcare Grant County January 17, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of Samaritan Healthcare from January 1, 2012 through December 31, 2012.

We evaluated internal controls and performed audit procedures on the activities of the District. We also determined whether the District complied with state laws and regulations and its own policies and procedures.

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, misappropriation or misuse. The following areas were examined during this audit period:

- Cash receipting – Parkview Pediatrics
- Charity care write-offs
- Travel reimbursement expenditures

RESULTS

In the areas we examined, the District's internal controls were adequate to safeguard public assets. The District also complied with state laws and regulations and its own policies and procedures in the areas we examined.

Related Reports

**Samaritan Healthcare
Grant County
January 17, 2014**

FINANCIAL

A financial statement audit was performed by a firm of certified public accountants. That firm's report is available from the District.

Description of the District

Samaritan Healthcare Grant County January 17, 2014

ABOUT THE DISTRICT

Grant County Public Hospital District No. 1, doing business as Samaritan Healthcare, operates a licensed 50-bed acute care hospital in Moses Lake. The District also operates a rural health clinic and leases space to other health care organizations and professionals in Grant County.

An elected, five-member Board of Commissioners governs the District. The Board appoints management to oversee the District's daily operations as well as its approximately 500 employees. The District's operating expenses were approximately \$57 million during the 2012 fiscal year.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:	Katherine Christian Thomas Frick Dale Paris Alan White Julie Weisenburg
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APPOINTED OFFICIALS

Chief Executive Officer	Andrew Bair (until August 2012) Joe Sharp (starting August 2012)
Chief Financial Officer	Tom Legel
Chief Medical Officer	James Irwin
Chief Nursing Officer	Kathryn Trumbull

Note: Thomas Thompson was appointed Chief Executive Officer in May 2013.

DISTRICT CONTACT INFORMATION

Address:	Samaritan Healthcare 801 Wheeler Road Moses Lake, WA 98837
Phone:	(509) 765-5606
Website:	www.samaritanhealthcare.com

AUDIT HISTORY

We audit the District annually. Only one finding has been reported in the previous nine audits. The finding was issued during our audit of fiscal year 2010 and was related to deposits held at banking institutions not approved by the state Public Deposit Protection Commission. That finding has been resolved.



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 as an advocate for government accountability. 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.

The State Auditor's Office employees are located around the state to deliver services effectively and efficiently.

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 and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service.

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

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