

Washington State Auditor's Office
Accountability Audit Report

**Douglas, Grant, Lincoln & Okanogan
Counties Public Hospital District No. 6
(Coulee Medical Center)
Grant County**

Report Date
January 23, 2014

Report No. 1011438

Issue Date
March 17, 2014



WASHINGTON
TROY KELLEY
STATE AUDITOR



**Washington State Auditor
Troy Kelley**

March 17, 2014

Board of Commissioners
Coulee Medical Center
Grand Coulee, 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 the Coulee Medical Center'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 23, 2014**

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Audit Summary

**Coulee Medical Center
Grant County
January 23, 2014**

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Coulee Medical Center 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:

- Charity care write-offs
- Credit card expenses

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

**Coulee Medical Center
Grant County
January 23, 2014**

FINANCIAL

Our opinion on the District's financial statements and compliance with federal grant program requirements is provided in a separate report, which includes the District's financial statements.

FEDERAL GRANT PROGRAMS

We evaluated internal controls and tested compliance with the federal program requirements, as applicable, for the District's major federal program, which is listed in the Federal Summary section of the financial statement and single audit report.

Description of the District

Coulee Medical Center Grant County January 23, 2014

ABOUT THE DISTRICT

Grant, Lincoln, Douglas and Okanogan counties own and operate Grant County Public Hospital District No. 6, doing business as Coulee Medical Center. The District is a 25-bed critical access hospital with an acute care and skilled nursing facility and physicians' clinic. Additional services provided by the District include acute hospital care, long-term skilled nursing care, emergency room services, physicians' clinics and related procedures, such as lab and X-ray.

An elected, five-member Board of Commissioners governs the District; however, one Board position was vacant during the audit period. The Board appoints an Administrator and a Chief Financial Officer to oversee the District's operations as well as its approximately 200 employees. District operating expenses in 2012 were \$22.5 million.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:

Greg Behrens
Geary Oliver
Kris Hare
Jerry Kennedy (starting May 2012)
Rick King (until March 2012)

Note: Betty Brueske was elected in November 2013 to fill the Board position that was vacant during the audit period.

APPOINTED OFFICIALS

Administrator
Chief Financial Officer

Scott Graham
Debbie Bigelow (until October 2012)
Joe Vessey (starting October 2012)

DISTRICT CONTACT INFORMATION

Address: Coulee Medical Center
411 Fortuyn Road
Grand Coulee, WA 99133-8718

Phone: (509) 633-1753

Website: www.cmccares.org

AUDIT HISTORY

We typically perform an accountability audit of the District annually. The District received a finding in the 2004 accountability audit for unauthorized patient account write-offs and received a finding in 2009 for directly operating a foundation. Both findings have 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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