

Washington State Auditor's Office
Accountability Audit Report

Mason County Public Hospital District No. 1
(Mason General Hospital)

Report Date
May 13, 2014

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May 22, 2014



Washington State Auditor
Troy Kelley

Independence • Respect • Integrity



Washington State Auditor Troy Kelley

May 22, 2014

Board of Commissioners
Mason General Hospital
Shelton, 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 Mason General Hospital'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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Mason County
May 13, 2014**

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Audit Summary

Mason General Hospital Mason County May 13, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Mason General Hospital from January 1, 2013 through December 31, 2013.

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:

- Financial health
- Payroll disbursements
- Advertising/sponsorship activities
- Change funds
- Self-insured program

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

**Mason General Hospital
Mason County
May 13, 2014**

FINANCIAL

Our opinion on the District's financial statements is provided in a separate report, which includes the District's financial statements.

Description of the District

Mason General Hospital Mason County May 13, 2014

ABOUT THE DISTRICT

Mason County Public Hospital District No. 1, built in 1968, is one of the largest public employers in Mason County. The District is composed of Mason General Hospital and the following clinics and practices: Mason General Hospital Eye Clinic, Mason General Hospital Family Health, Mason General Hospital Shelton Orthopedics, Mason General Hospital Surgery Clinic, Mountain View Women's Health Clinic, Oakland Bay Pediatrics, Shelton Family Medicine, Mason General Hospital Ankle and Foot and Olympic Physicians. The District provides an emergency department, intensive and acute care units and surgery suites. Additional services include physical therapy, respiratory therapy, outpatient surgery, diagnostic imaging, labor and delivery and a modern full-service laboratory.

An elected, three-member Board of Commissioners governs the District. Board Members serve staggered, six-year terms. The Board appoints management to oversee the District's daily operations as well as its 443.4 full-time employees and 100 volunteers. For fiscal year 2013, the District operated on an annual budget of approximately \$71 million.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:

Donald Wilson
Nancy Trucksess
Scott Hilburn

APPOINTED OFFICIALS

Chief Executive Officer
Chief Financial Officer

Eric Moll
Rick Smith

DISTRICT CONTACT INFORMATION

Address: Mason General Hospital
901 Mountain View Drive, Building One
P.O. Box 1668
Shelton, WA 98584

Phone: 360-432-7707

Website: www.masongeneral.org

AUDIT HISTORY

We audit the District annually. The District has been free of findings for the past 11 audits. We believe this reflects the District's commitment to maintain a strong financial system with sufficient internal controls.



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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