

Washington State Auditor's Office
Accountability Audit Report

**Lewis County Public Hospital District
No. 1
(Morton General Hospital)**

Report Date
March 3, 2014

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WASHINGTON
TROY KELLEY
STATE AUDITOR



Washington State Auditor Troy Kelley

April 24, 2014

Board of Commissioners
Morton General Hospital
Morton, 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 Morton 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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Lewis County
March 3, 2014**

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Audit Summary

Morton General Hospital Lewis County March 3, 2014

ABOUT THE AUDIT

This report contains the results of our independent accountability audit of the Morton General Hospital 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:

- Financial condition
- Open Public Meetings Act
- Controls over cash receipting
- Controls over disbursements
- Controls over billings/receivables

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

**Morton General Hospital
Lewis County
March 3, 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

Morton General Hospital Lewis County March 3, 2014

ABOUT THE DISTRICT

Lewis County Public Hospital District No. 1, doing business as Morton General Hospital, operates a 25-bed critical access hospital. The District also owns and operates clinics in the cities of Morton, Randle and Mossyrock. The District offers acute care, labor and delivery, 24-hour emergency, laboratory, radiology, physical and respiratory therapy and skilled nursing care. Medical staff includes physicians in emergency medicine, family practice, general surgery, gynecology, radiology and pathology.

An elected, five-member Board of Commissioners governs the District. The Board appoints a Superintendent/Chief Executive Officer who oversees the District's daily operations as well as its 215 employees. The District provides services to patients under contractual agreements with Medicare and Medicaid. For fiscal year 2012, the District's operating revenue was approximately \$22 million.

ELECTED OFFICIALS

These officials served during the audit period:

Board of Commissioners:

Ross Jones
Sheri Hendricks
Glenn Allen
Marc Fisher
Kenton Smith

APPOINTED OFFICIALS

Superintendent/Chief Executive Officer

Ron DeArth

DISTRICT CONTACT INFORMATION

Address: Morton General Hospital
P.O. Box 1138
Morton, WA 98356

Phone: (360) 496-3701

Website: www.mortongeneral.org

AUDIT HISTORY

We audit the District every year. The past six audits, as well as the current audit, are free of findings.



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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