

March 4, 2009

A special meeting of the Board of Commissioners of Whidbey Island Public Hospital District was called to order at 8:08 a.m. by Board President, Roger Case, M.D. in the Board Room at Whidbey General Hospital. Present were Commissioner Case, Commissioner Wallin, Commissioner Tarrant and Commissioner Cammermeyer. Also present were Interim Chief Executive Officer, Tom Tomasino, Chief Financial Officer, Joe Vessey, Beth Stout, Trish Rose, community member Grace DeLuca and Casey Dwyer, Audit Manager for the State Auditor's Office of Washington. President Case welcomed everyone to the meeting.

Audit Exit Conference

Joe Vessey, CFO introduced Casey Dwyer from the State Auditor's Office, who proceeded with the exit report for the audit that was performed for 2007.

Ms. Dwyer stated that it was a good audit, with no findings or management letters. The hospital exhibited that there are good internal controls. Evaluation was done on accountability for public resources and legal compliance with certain laws and regulations in safeguarding of assets, payroll, travel expenses, creation of corporation, Foundation Agreement, prior year follow up, and Stark Law.

The Accountability Report summarizes the results of the accountability audit, and will not include any findings. These reports are expected to be issued within the next month. A free subscription service allowing notification by email when audit reports are released or posted are available at [www.sao.wa.gov/applications/subscriptionservices](http://www.sao.wa.gov/applications/subscriptionservices).

There were two comments made by the auditors, one regarding the safeguarding of assets, and the other regarding incentive pay. Recommendations for these two areas were provided in the report.

The status of prior audit recommendations were all resolved – these included petty cash, A/P payroll internal controls, purchasing cooperative, cafeteria receipting, and Foundation agreement.

The next audit will be done in 2010, and will cover the same areas, as well as look at how the recommendations made from this audit have been addressed.

Ms. Dwyer stated that the auditors could be contacted anytime if there were questions.

There being no further business, the meeting was adjourned at 8:15 a.m.