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## Introduction

The State Auditor's Office (SAO) collects information from local government via the Budgeting, Accounting and Reporting System (BARS). The Washington State Department of Health (DOH) compiles information submitted by local health jurisdictions to produce this *Local Health Jurisdiction Public Health Expenditure Report*. This report links revenue to expenditures for each local health jurisdiction (LHJ) and all LHJs in the aggregate.

The *Local Health Jurisdiction Public Health Expenditure Report* is an expenditure report by BARS expenditure code and source of funding. Instructions, codes and definitions can be found in the *BARS Supplemental Handbook for Public Health*, which is published on both the DOH and SAO websites. This funding report includes funds that are contracted through DOH Consolidated Contract, other DOH contracts, and revenue sources from outside of DOH which support public health services in the local health jurisdictions.

LHJs report to the DOH using the range of BARS revenue codes as defined by SAO. DOH combines these revenue codes into the five categories described below. The Matrix of BARS Revenue Code Placement on page 78 displays which revenue codes are combined into which categories.

The major categories are:

### **Local Funded Expenditures -**

Local Government Contributions - Includes county contributions. These funds provide a base level for incorporated city contributions and any other tax-based revenues.

Licenses, Permits & Fees - Licenses and Permits are generated from regulatory activities and usually a financing source provided through environmental health services. Fees are generated from charges for professional or other services provided through the health jurisdiction.

**State Funded Expenditures** - All funds received from the State, including funds from DOH, other State agencies, entitlements, State-funded grants and contracts.

**Federal Funded Expenditures** - All Federal funds received either directly or as a sub-recipient. This includes Medicaid Title XIX and Medicare which are fee-for- service reimbursement.

**Other Funded Expenditures** - Includes any funding that can't be identified as one of the above categories or is the amount of any fund balance carried into the next fiscal year.

The value of vaccine is not included in the totals since it is not a cash revenue source. It is provided to the local health jurisdictions as state and federal direct assistance.

## **BASIS OF ACCOUNTING**

Please note that some LHJs report on a cash basis of accounting while others report on an accrual basis. For each individual LHJ, the basis of accounting is noted in the title of their report. The definition of each basis of accounting is provided below.

### **Accrual Basis of Accounting**

Method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

### **Cash Basis of Accounting**

Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

Source: Governmental Accounting, Auditing, and Financial Reporting by Stephen J. Gauthier

## **SUMMARY OF CHANGES TO THE 2018 REPORT**

- Replaced table and pie chart on page seven with new table and pie chart listing public health expenditures only, in 10 defined groupings.

