

**County Financial Policies: Guiding principles should evolve to reflect complex funding and needs  
Second Follow-Up Assessment – April 2026**

The Washington County Auditor’s Office published this audit in December 2023.

**Purpose:** The audit had two purposes:  
1) To assess selected County financial policies against recommended practices and determine where the County has reasonable policies and where there are areas for improvement. 2) To determine whether the method used for the FY 2023-24 budget calculation for the General Fund reserves and targets followed County Policy 405 and whether the internal controls over the calculation spreadsheet and data are appropriate.



**Assessment:** One recommendation has been implemented and two are in progress. The Auditor’s Office commends the County’s Finance Department for the progress they are making to update and develop new financial policies. This work will greatly benefit the County by providing a thoughtful, long-term approach to managing the County’s money and resources. The Office will follow up on the status of the recommendations in a year.

Audit Recommendations	Status
1. The CFO should update policies that are insufficient and develop new financial policies highlighted in the audit according to GFOA recommended criteria.	In Progress
2. The CFO should document the methodology, process, source information, and any adjustments used to calculate the General Fund, fund balance target. The information and the spreadsheet should be fully available to the CFO and the Budget Manager for their use.	Implemented
3. The Budget Office should develop a written user access to software policy. This should ensure access only for what users require to perform their job responsibilities. It should also include a requirement of management review and approval of user access, and regular monitoring.	In Progress

For more information about the original 2023 review report, please visit the Washington County Auditor's Office [website](#).