

Office of the County Auditor

2024 Annual Report

December 2024



Kristine Adams-Wannberg, CIA, CGAP
Washington County Auditor

Letter from the County Auditor

Dear Washington County Residents,

The mission of my office is, “To promote better government accountability, public policy, and County services through impactful audits and analyses.” My office works diligently to improve County government to that end.


We had a productive year! As of the end of 2024, we will have started two new performance audits, completed two that carried over from 2023, and performed three follow-up reviews. The two audits completed in 2024 were meaty reviews of the County’s American Rescue Plan Act Workforce Development grant and a risk assessment of the County’s Major Streets Transportation Improvement Program. We are excited to see the positive impact these audits will have!

We improved the operations in our office. One significant body of work has been adopting new audit software. This work has continued from 2023, and we are now starting implementation and training. Another important task has been establishing a quarterly newsletter and establishing Instagram and Facebook accounts for the office. This fulfills a campaign promise I made to help keep the public more informed about our work, provide a mechanism for feedback on audits, and help us get input on potential audit topics.

My office will be undergoing our very first quality assurance review in 2025. This is essentially an “audit of the auditor” and will assess the quality of the work in our office. The review is a best practice in the auditing field and is a requirement for audit shops that follow Government Auditing Standards. We are excited for this review and know it will help us with our own continuous improvement efforts.

I appreciate the many members of the public and County and local leaders that have expressed their support of our work. I also want to express my continued gratitude to auditors Fiona Howell Earle and Sherry Kurk for their dedication to public service, passion for continuous improvement, and constant good sense of humor.

With many thanks,


Kristine Adams-Wannberg
Washington County Auditor
<https://www.washingtoncountyor.gov/auditor>

Office Mission, Vision, Values, and Goals

The following are the Auditor's Office's adopted mission, vision, values, and goals:

Mission: To promote better government accountability, public policy, and County services through impactful audits and analyses.

Vision: The Auditor's Office is a valued contributor to the continuous improvement of County government for the public good.

Values: Accountability, integrity, independence, impact, and equity:

- **Accountability** – We value commitments of organizations and individuals to being responsible and transparent for the decisions and/or actions they take and being able to give a satisfactory reason for them.
- **Integrity** – We value performance of work with an attitude that is objective, fact-based, nonpartisan, and nonideological with regard to audited entities and users of audit reports.
- **Independence** – We value independence. This includes two aspects:
 - The state of mind that permits the conduct of an audit without being affected by influences that compromise auditors' professional judgment.
 - The absence of circumstances that would cause a reasonable, informed third party to conclude that the integrity, objectivity, or professional skepticism of an audit organization or member of the audit team has been compromised.
- **Impact** – We value making County government accountable and better able to serve the public.
- **Equity** – We believe public resources and power should be used fairly and ethically in the creation and delivery of government policy and services.

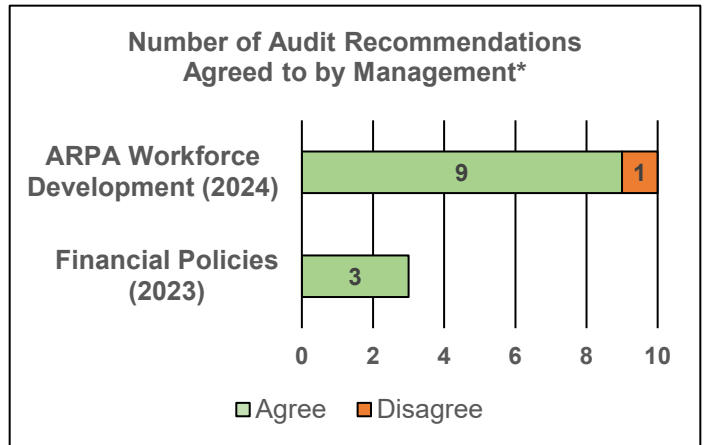
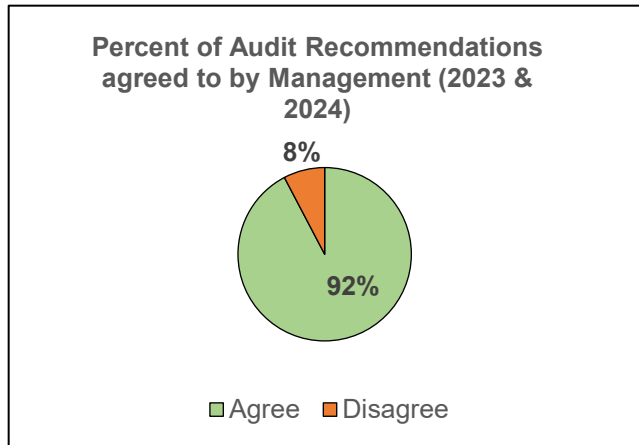
Goals:

- Improve government accountability and performance.
- Maximize team effectiveness and fulfillment.

Calendar Year Performance Metrics/ Dashboard

1) Percent of audit recommendations agreed to by management:

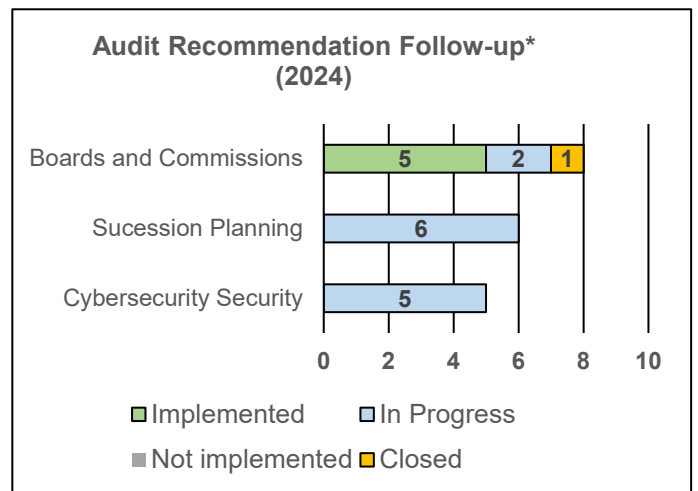
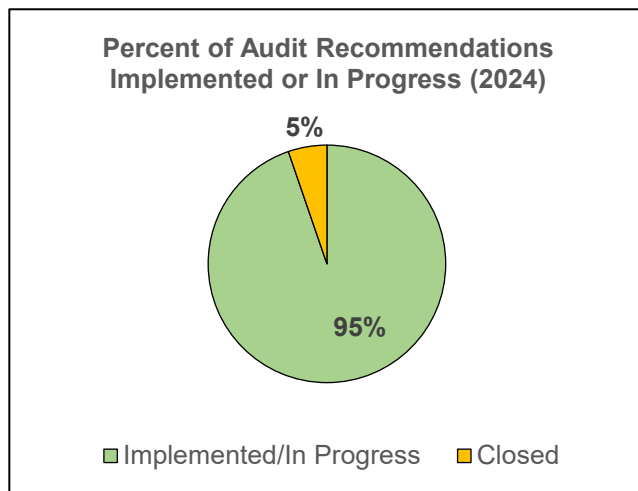
Target: 85%
 2023 & 2024 Actual: 92%



*The MSTIP Risk Assessment Audit will be released in Dec. 2024. Management response to this audit's recommendations are not yet available.

2) Percent of audit recommendations implemented or in progress:

Target: 85%
 2024 Actual: 95%

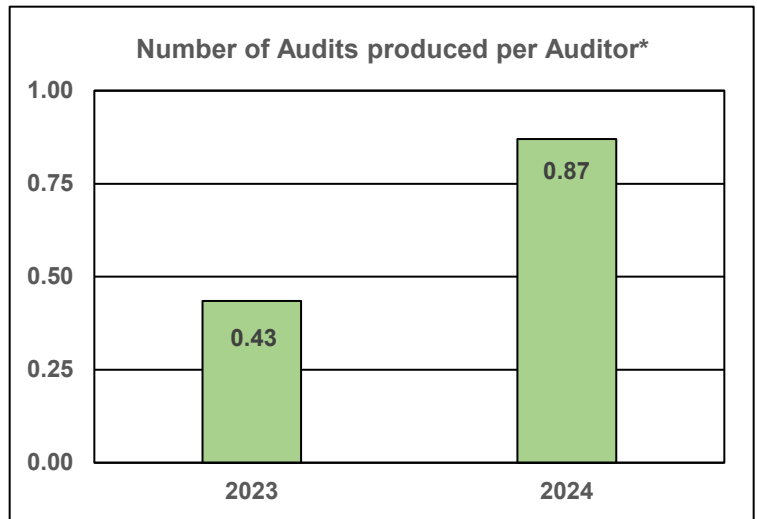


*These reflect the first year of follow-up for these audits. The Financial Policies audit was having its first follow-up review at the time of compiling data for the annual report.

3) Average number of audits completed by FTE

Target: 1.0 audit per FTE
2023 Actual: 0.43 per FTE
2024 Actual 0.87 per FTE

In 2023 the office developed a lot of internal infrastructure to help us pass our 2025 peer review. Some of this included developing new policies and procedures and researching and testing audit software. As some of these large administrative projects have concluded, we have more time to devote to audits.



**Includes two Sr. Management Auditors and 0.3 of County Auditor.
Does not include follow-up reviews in calculation.*

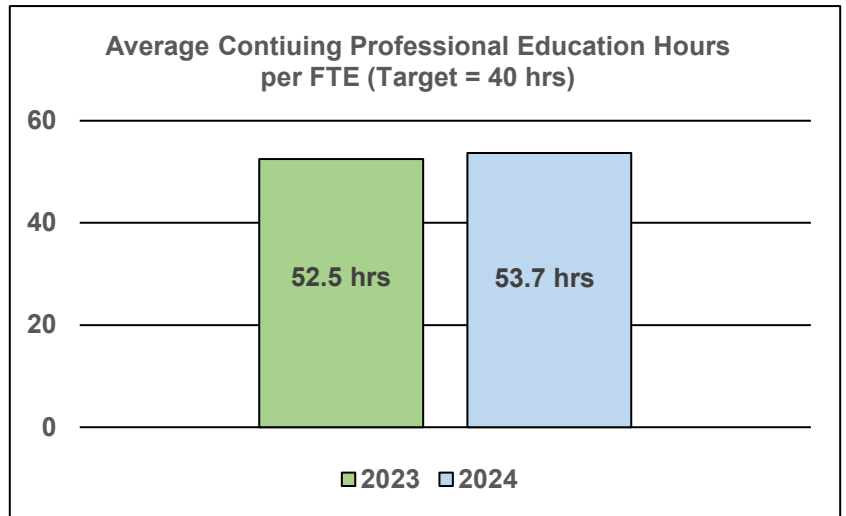
4) Results of external quality assessment review:

Target: Pass (Result options are pass, pass with deficiencies, and fail)
Actual: The office will undergo its first external quality assessment review in summer 2025.

5) Average number of continuing professional education (CPE) hours per FTE:

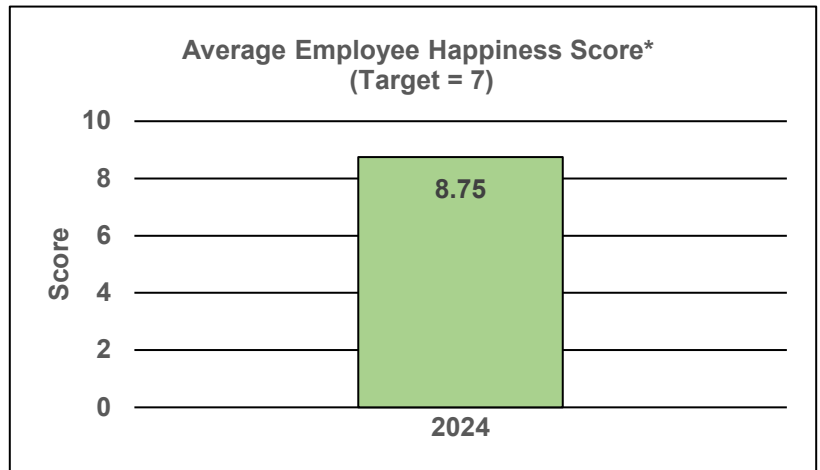
Target: 40 hrs./yr min
2023 Actual: 52.5
2024 Actual: 53.7

Our professional auditing certifications require a minimum of 40 hours a year of CPE. Government Auditing Standards also require each auditor has have a minimum of 80 hours of CPE every two years.



6) Average score of employees surveyed who overall feel happy to work in the County Auditor’s Office.

Target: Average of 7
2024 Actual: 8.75

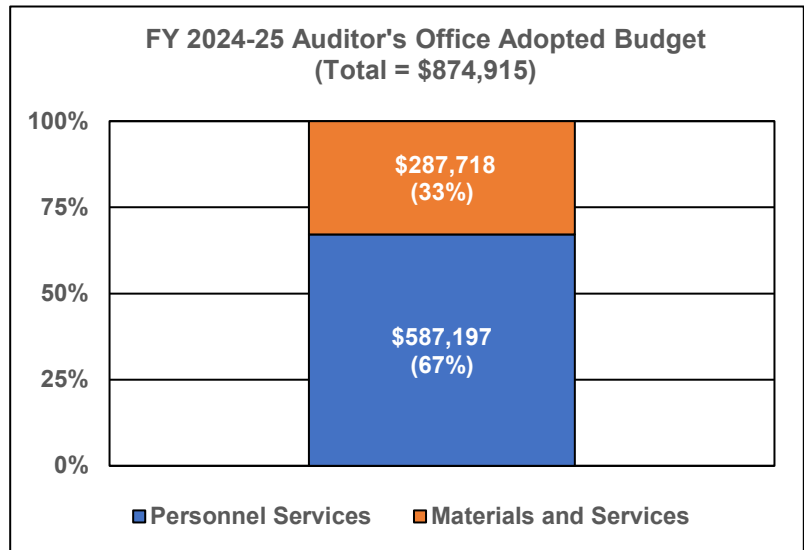


**Scale is 1-10: 1 = Extremely unhappy and about to quit; 10 = Extremely happy and jumping with joy.*

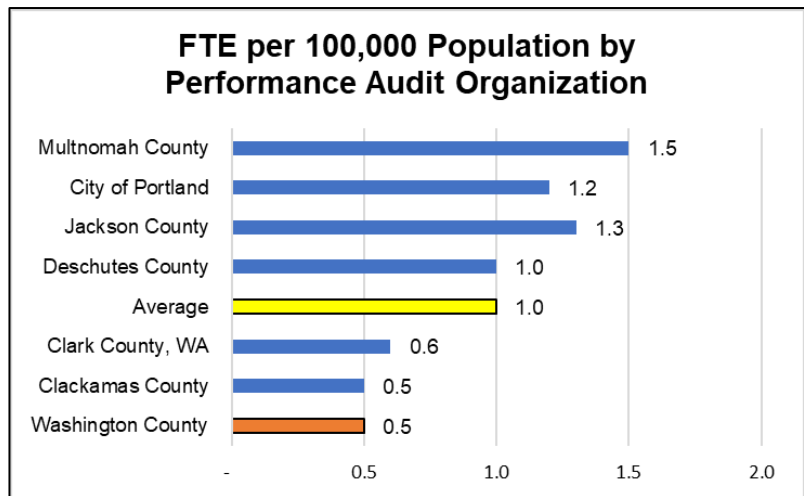
Office Expenditures and Staffing

Our office budget is under \$1 million. It supports three staff, made up of the County Auditor and two Senior Management Auditors. Most of our budget is staffing, professional services, and other County internal services. Similar to the elected Board of Commissioners, our program is categorized as an internal service fund, although we are not internal auditors. We are external auditors by virtue of having a County Auditor elected by the public.

For FY 2024-25, we took a seven percent cut and reduced our professional services. This line item is where we spend money on outside experts for specialized audit services, as well as a contract for audit software licenses and assistance with our newsletters.



We are understaffed compared to other audit functions in Oregon and Southern Washington. The average staffing per 100,000 population is 1.0 Full-Time Equivalent (FTE) of performance audit staff¹. The Washington County Auditor's Office has 0.5 FTE per 100,000 County population. Even when we had a Principal Management Auditor position two years ago, we were at 0.7 FTE per 100,000 population and were understaffed.



¹ This calculation only includes performance audit staff and the Chief Audit Executive. It does not include administrative positions, of which the Washington County Auditor's Office has none.

Calendar Year 2024 Audit Schedule

The following audits are in process or were scheduled to start in 2024. This was based on having 2 full-time equivalent (FTE) audit staff in the office. In addition, about a third of the County Auditor’s position performs audit work. The County Auditor selects audit topics based on input from the public, the Board of Commissioners, the County Administrative Office, department management, and audit staff. We also conduct a risk assessment to identify areas of higher risk.

Audit	Expected Completion
ARPA Workforce Development	November 2024
Major Streets Transportation Improvement Program	December 2024
County Grants Management	Q3 2025
Identity and Access Management	Q3 2025
County Cash Handling	Q3 2025
Emergency Rental Assistance Program	TBD

Follow-ups on the Status of Previous Audit Recommendations	Completed
County Succession Plan Needed for Projected Workforce Turnover	March 2024
Racial/Ethnic Diversity of County Boards and Commissions	March 2024
Auditor Review of Information Security and CIS Controls	March 2024
County Financial Policies	In process

Significant 2024 Internal Work

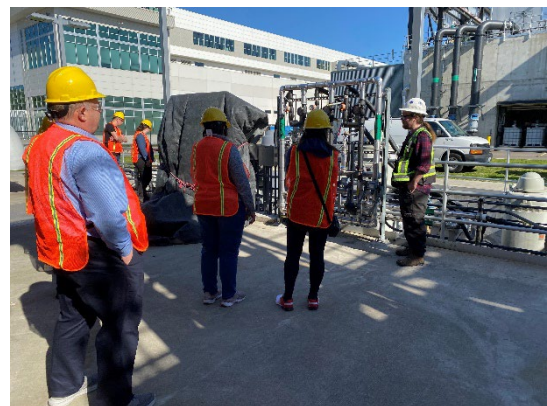
The Office did a great deal of work to improve its internal systems and processes this year, as well as participating in professional education and activities. Some of our significant accomplishments were the following:

- **Strategic Planning** – We invested time in establishing our objectives, activities, and measures.
- **Risk assessment** – We conduct a high-level risk assessment of County programs each year in developing potential audit topics.
- **Communications** – The County Auditor started sending out quarterly newsletters about the activities of the Auditor’s Office. The office also has Instagram and Facebook pages.



- **New Audit Workpaper Software** – We tested and accepted new audit workpaper software. Implementation started in 2024, but the main push and training will be in 2025.

- **Archiving** – We worked with the Department of Assessment and Taxation and the Department of Technology Services to develop our archiving template that works with the County’s Laserfiche system. This is a major project which will bring our office into compliance with state records retention requirements.



Auditors taking a tour of the King County Georgetown Stormwater Facility and talking about the impacts of climate change.

- **Professional Education Credits** – All employees obtained the required professional education credits to meet Government Auditing Standards and to maintain professional certifications.
- **Leaders in the Profession and Service on County Committees** – Employees served as leaders in the auditing profession, by participating in committees and activities of the Association of Local Government Auditors, the Institute of Internal Auditors, and ISACA (IS/IT audit and cybersecurity professionals) as well as the County’s Data Equity Committee.

Looking ahead to work in 2025

My Office has a great deal of work we are planning for 2025. Some of this is internally focused as we continue to build our systems and infrastructure. Many others are focused on audit work and communicating with the community. Some of these efforts will be the following:

- **Audit Work** – We will conduct two to three performance audits and four follow-up reviews of prior audit recommendations.
- **Quality Assurance Review** – Our office has never gone through a quality assurance review (an audit of the County Auditor’s Office). The Association of Local Government Auditors will perform our first ever review in summer 2025. This review is required to comply with Government Auditing Standards and is a significant evaluation of our auditing quality.
- **Communications and Feedback** - We will continue our quarterly newsletters that highlight the activities of the Auditor’s Office and posts on Instagram and Facebook. We will perform outreach in the first quarter of 2025 to request potential audit topics from the public and County leaders and staff.
- **Software Implementation** – The Office will have significant training in our new audit working paper software.
- **Archiving** – We will start archiving records into the County’s Laserfiche system.
- **Professional Education Credits and Participation** – All employees will obtain required continuing professional education and participate in professional organizations.

Past 2025

There are activities beyond 2025 that we are working toward:

- **Work Toward Charter Changes** - The County Auditor provisions in the County Charter need to be updated. Some sections are out of date and others need clarification. The Charter does not reflect best practices for local government audit organizations. We will base some of this work on the results of our 2025 quality assurance review.