



Washington State Auditor's Office

Local Government Performance Center

New: Local Government Financial Intelligence Tool

Local governments are the cornerstones of Washington communities. Acting on authority granted by the people they serve, local governments reflect the values of their communities while playing an ever-growing role in delivering essential public services.

Local government operations are complex. Officials must manage myriad state and federal regulations, funding sources, and community priorities while balancing persistently constrained resources. To successfully manage this complexity, leaders need to understand local government finance. This is why the State Auditor's Office created the Local Government Financial Intelligence Tool.

What FIT is:

The Financial Intelligence Tool, or FIT:

- Provides standard, transparent, understandable, and easily accessible financial information
- Guides financial decision makers of any experience level
- Assists in telling a government's financial story

What FIT is NOT:

FIT is not a scorecard and it's not an audit. The guidelines and indicators included here are not firm standards to which governments should be held accountable. The information is a starting point for deeper analysis of financial health.

Who should use FIT?

Local government elected officials, management and staff should use FIT to:

- Better understand their organizations' financial health and confirm their own financial analysis
- Tell their governments' financial story in a way citizens can understand, regardless of their financial expertise
- Identify problems with data reported annually to the State Auditor's Office as soon as it is submitted
- See financial health through an auditor's eyes before an audit

How does FIT work?

Governments that report financial information using the cash basis of accounting will be able to download the tool from our website, and the data will automatically populate to create financial ratios.

Governments that report using Generally Accepted Accounting Principles (GAAP) will initially only be able to download a template and manually enter their financial data. In the future, the FIT tool will also be available to entities that report under GAAP.

Where can get I more information?

The tool is available through the State Auditor's Office website where annual reports are filed. Sign up or log in at <https://portal.sao.wa.gov/saoportal/Login.aspx>

Your account will need to be associated with a local government. Once you have logged in, click on the FIT. tab to access the tool.

For other questions, please see our *Financial Intelligence Tool Handbook*, email us at performance@sao.wa.gov, or call us at 360-725-5552.



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