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Title: Better Governance and Financial Management

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Sponsoring Agency: King County Executive Office



King County

An Executive Order establishing better governance practices to strengthen financial oversight and improve accountability and transparency in government operations.

WHEREAS, Executive Zahilay has established the *4 Bs for a Better Future*—Breaking the Cycle, Building for Affordability, Boots on the Ground and Better Government—as the guiding priorities of this administration; and

WHEREAS, the *Better Government* priority commits King County to operating as a more transparent, effective and accountable organization; and

WHEREAS, Executive Zahilay is advancing this commitment through the *King County Delivers* plan, which establishes governance practices that promote better accountability and ensures that King County is maximizing the impact of every dollar spent; and

WHEREAS, King County's workforce is one of the best in the country and improving how our government functions and manages its resources ensures that our workforce can deliver the services and programs residents throughout King County rely on with speed, care and accountability; and

WHEREAS, a significant majority of King County's workforce is represented by unions, and problem solving together with our labor partners is critically important to ensure that worker perspectives and experiences shape our strategies for the future; and

WHEREAS, resetting governance practices at the onset of a new administration will strengthen King County's financial position and lead to lasting operational improvements; and

WHEREAS, some of King County's largest funds are projected to have significant shortfalls over the next five years, and unstable revenue from state and federal partners adds further uncertainty to the County's financial outlook; and

WHEREAS, King County must take immediate steps to identify budget savings and reduce costs; and

WHEREAS, this approach to financial management does not preclude the urgent and significant need for progressive and stable revenue sources; and

WHEREAS, King County has a paramount duty to protect taxpayer dollars and ensure strong financial controls and oversight; and

WHEREAS, establishing clear performance baselines is essential to understanding whether County investments are producing their intended outcomes over time; and

WHEREAS, the King County Executive has authority under Article 3 of the King County Charter to direct executive branch departments and set administrative priorities;

NOW, THEREFORE, I, GIRMAY ZAHILAY, King County Executive, do hereby order as follows:

Section 1. Establishing an Internal Audit Function

The Executive Office shall establish an internal audit function, including an Internal Auditor, to ensure greater accountability, transparency and organizational effectiveness. Within sixty (60) days, the Internal Auditor will submit an initial work plan to the Executive that identifies key deliverables and prioritizes working with departments currently addressing open audit findings.

Section 2. Establishing a Subcabinet on Improving Accountability and Compliance

The Executive Office shall establish a Subcabinet on Improving Accountability and Compliance to identify and implement enterprise-wide improvements in financial and compliance systems that improve organizational effectiveness, reduce risk, and help prevent future fraud and waste. Each department will assign their Deputy Director or other senior-level leader to the Subcabinet. This Subcabinet will be chaired by the Internal Auditor, will meet monthly, and will also include the Chair of the Executive Audit Committee and the Director of Risk Management for the county. This Subcabinet will also ensure coordination with the legislative and judicial branches on major accountability changes or efforts, especially those with statutory or budgetary impacts.

Section 3. Internal Controls for Grantmaking

The Executive Office shall implement internal controls for grant funds distributed by King County to ensure compliance with local, state and federal laws, while prioritizing timely distribution of funding. A grant compliance workgroup led by the Executive Office will identify common themes and challenges across King County's grant programs and develop cross-departmental solutions, standards and training to streamline the grant-making process and ensure audit readiness and compliance. The grant compliance workgroup will be established within ninety (90) days from the effective date of this order and should leverage current organizational structures. The workgroup will submit an initial report detailing common themes and cross-departmental solutions to the Chief Budget Officer and the Internal Auditor.

Section 4. Increasing Ethics and Fraud Prevention Training

The Executive Office shall establish enhanced ethics and fraud prevention training requirements for any county employee who manages or has a direct oversight role over contracts. Within ten (10) days of this Executive Order, each department will submit to the Chief People Officer the positions within their department that would be subject to this order, and within sixty (60) days of this Executive Order, the Director of the Department of Executive Services and the Chief People Officer, in consultation with the Internal Auditor, will submit a plan to the Executive for enhanced

training, including identifying fiscal needs for new trainings and staff or resources necessary to meet this order.

Section 5. Establish Year One Metrics for King County

Every executive branch department shall identify, assess and establish key metrics that ensure more effective decision-making as well as sound evaluation of programs and services. To begin this work, the Chief Performance and Accountability Officer or designee will implement these Year One Metrics in a phased approach. The Chief Performance and Accountability Officer or designee will work with an initial cohort of departments to identify the most effective inputs and outcomes tied to their organizational mission and objectives. The results of this first phase will be submitted to the Executive Office within ninety (90) days of this Executive Order and will serve as the foundation of the Executive's Year One Metrics enterprise wide. It is the Executive's intent that all departments establish Year One Metrics in consultation with the Chief Performance and Accountability Officer and team by the end of the year.

Section 6. Reviewing and Prioritizing Base Budgets

The Executive Office will lead a review of executive-branch capital and operating base budgets with the goal of reprioritizing resources to address the county's highest-priority needs. Executive branch departments and the Executive Office budget team will work together to review and prioritize base budgets in advance of the 2028-2029 biennial budget and to determine what a community engagement process will look like in this review.

Section 7. Identifying Savings

Each executive branch department shall review agency operations to explore innovative ways to save taxpayer dollars while minimizing impacts to services for residents. Savings should include programmatic and operational changes such as changing how services are delivered, implementing cost-saving measures, consolidating programs and/or reducing duplication. Departments should also look into their current real estate assets to identify ways to reduce maintenance or carrying costs. Departments will designate a Savings Officer within thirty (30) days of this Executive Order to lead this work. Saving Officers will provide regular updates to the Chief Budget Officer and Chief Operating Officer.

Section 8. Controls on One-Time Funding

The Chief Budget Officer shall establish internal budget controls on programs funded through one-time funding to limit cost growth. Executive branch departments will submit to the Chief Budget Officer a quarterly summary of all programs and positions funded by one-time resources, along with the date the funding expires, and plans on how to proceed when funding expires, including relevant details on potential extensions or renewals of outside revenue sources or grants. Executive branch departments will also provide a summary of ongoing costs that were initially planned to be one-time only.

Section 9. Implementing Cost Savings in Distressed Funds

Departments that rely on resources from distressed funds shall work with the Executive Office and its budget team to implement cost-saving measures in the current biennium. Cost-saving measures may include but are not limited to staff management plans, limits on training and travel, review of overtime, process improvements, reduced use of consulting and professional services, and analysis of technology and vehicle use. Cost-saving measures should be documented by the Savings Officer and proposed in a future budget. These measures may be evaluated for broader application across the county.

Section 10. Effective Date

This Executive Order shall take effect immediately.

Dated and effective this 4th day of March, 2026.

Girmay Zahilay
King County Executive

Attest:

Norm Alberg
Director, Records and Licensing Services Division, Department of Executive Services