ADMINISTRATIVE POLICY

SECTION 400	POLICY 403
TITLE Revenue	**IMPLEMENTED BY PROCEDURE** N/A
SPONSORING DEPARTMENT Finance	**R&O** **26-80**
ADOPTED July 21, 2026	**REVIEWED** N/A **REVISED** N/A

PURPOSE

The purpose of this policy is to provide guidance for designing efficient and effective revenue systems that generate adequate public resources to meet expenditure obligations, as recommended by the Government Finance Officers Association (GFOA). The policy promotes transparency, equity, stability, and long-term sustainability while ensuring alignment with County strategic priorities and compliance with applicable laws and regulations.

AUTHORITY

Under Washington County charter and code, and per Administrative Policy 101 (Administrative Policies and Procedures Authorization), the authority to establish and approve this policy is granted to the Washington County Board of Commissioners (BCC) and the authority to implement this policy is granted to the County Administrator. This policy is governed by applicable federal, state, and local requirements and adheres to best practices per Government Finance Officers Association (GFOA) guidance. Key legal authorities include ORS Chapter 294 (Local Budget Law), ORS Chapter 311 (Property Taxation), ORS 293.240 (Writing Off Uncollectible Debts), and other relevant statutes and administrative rules. Oversight of revenue activities is delegated to department heads under the direction of the Chief Financial Officer and County Administrator.

This policy should be read in conjunction with all other Finance administrative policies.

DEFINITIONS

1. Accounts Receivable: Amounts owed to the County for goods or services provided, fees assessed, or other obligations that have been billed but not yet collected.
2. Collection Agency: A third-party entity contracted by the County to pursue collection of delinquent accounts on behalf of the County.
3. Donation: A voluntary transfer of cash, securities, or other property to the County and specific to County uses with no expectation of receiving goods or services in return. Donations may be restricted (designated by the donor for a specific purpose) or unrestricted (available for general County use).

4. Donated Services: Donated professional services that meet GASB recognition criteria may be recorded as revenue. General volunteer time is not considered a donation for purposes of this policy and is addressed through the County's volunteer program.
5. Doubtful Account: An accounts receivable balance that has been deemed unlikely to be collected after reasonable collection efforts have been exhausted.
6. Restricted Revenue: Funds restricted by law, regulation, grant agreement, or contract for specific purposes.
7. Full Cost Recovery: The practice of setting fees at a level that covers all direct and indirect costs of providing a service, including personnel, materials, equipment, overhead, and applicable administrative costs as determined through the County's cost allocation methodology.
8. Gift Agreement: A written document executed by the donor and the County that specifies the terms and conditions of a donation, including any restrictions on use, naming rights, or other donor-imposed conditions.
9. Grant: Financial assistance in the form of funds, property, or other support awarded to Washington County by federal, state, local, private, or nonprofit entities for a specified purpose, typically without a direct exchange of goods or services to the grantor. Grants are governed by Administrative Policy 450.
10. Intergovernmental Agreement (IGA): A statutory agreement between Washington County and another governmental entity (federal, state, local, or tribal) that defines the terms under which resources, services, or responsibilities are shared or exchanged. Depending on the nature of the agreement, an IGA may be classified as a grant or a revenue contract.
11. Non-Cash Donation: A donation of property other than currency, including but not limited to publicly traded securities, real property, vehicles, equipment, artwork, gift cards, and other tangible or intangible assets.
12. Ongoing Revenues: Revenue that is reasonably expected to continue from year to year without a defined expiration date and at a generally predictable level based on historical data and economic or policy patterns. Also referred to as recurring revenues. Examples include property taxes, intergovernmental shared revenues, ongoing user fees and charges, and stable franchise fees.
13. One-Time Revenues: Revenue that is one-time or episodic in nature or cannot reasonably be expected to continue in future fiscal years. Also referred to as non-recurring revenue. Examples include proceeds from the sale of capital assets, lawsuit settlements, insurance recoveries, one-time grants without a history of renewal, prior-year fund balance in excess of budgeted amounts, and non-recurring intergovernmental transfers. Use of one-time revenue is addressed in the Structurally Balanced Budget Policy.
14. Publicly Traded Securities: Stocks, bonds, mutual funds, exchange-traded funds (ETFs), and other securities that are traded on established securities markets and for which market quotations are readily available.

15. Revenue: Income received by the County from taxes, fees, charges for services, grants, intergovernmental transfers, fines, interest earnings, contracts, donations, and other sources.
16. Revenue Contract: A formal agreement under which the County receives payment in direct exchange for providing goods, services, access, or rights to another party. Revenue contracts do not include grants or other funding governed by Administrative Policy 450.
17. Time-Limited Revenues: Revenue that is forecasted to be stable and predictable during an authorized or expected term but that has a defined or reasonably anticipated expiration date. Time-limited revenues are distinguishable from one-time revenues in that they recur annually (or on a regular cycle) during their authorized period and are distinguishable from ongoing revenues in that they cannot be relied upon to continue indefinitely without reauthorization, renewal, or voter approval. Examples include local option levy proceeds, gain share, competitive grants with a documented multi-year award period, state or federal program funding authorized for a defined term, and intergovernmental agreements with stated expiration dates.
18. Unrestricted Revenue: General funds available for discretionary use by the County, not restricted to specific purposes.
19. Write-off: The accounting action of removing a doubtful account from active accounts receivable; this action does not extinguish the legal obligation to pay the debt.

GENERAL POLICY

Washington County will manage revenue sources responsibly and transparently with the goal of maintaining Structural Balance, minimizing volatility, and providing quality public services. Revenues will be evaluated regularly for fairness, sufficiency, and alignment with service demands and priorities identified in the County Strategic Plan. The County will establish and maintain proper internal controls over all receipts and receivables to ensure sound financial management practices, in accordance with GFOA best practices.

POLICY GUIDELINES

1. Revenue Diversification
    - 1.1 The County will seek to diversify its revenue portfolio to reduce reliance on any single source and minimize exposure to economic fluctuations.
    - 1.2 New revenue sources will be considered to address service delivery gaps, unfunded mandates, or priorities identified in the County Strategic Plan.
    - 1.3 The County will periodically assess the stability and predictability of its revenue sources and evaluate alternatives that may provide greater long-term sustainability.
2. Revenue Forecasting
    - 2.1 Revenue estimates will be developed conservatively, based on historical data, economic trends, and known legislative impacts.
    - 2.2 Forecasts will be developed collaboratively between the Finance Department and departments and reviewed annually during the budget process.

2.3 Revenue collections will be monitored against forecasts throughout the fiscal year. Significant variances will be investigated and reported to the Chief Financial Officer.

3. Fees and Charges for Services

3.1 The County's goal is full-cost recovery for fee-supported services. Fees will be reviewed regularly to ensure they reflect the cost-of-service provision, in accordance with GFOA best practices.

3.2 The Board of County Commissioners may adopt subsidies for programs that serve a public good or advance strategic goals, or where full cost recovery is impractical or would create undue hardship.

3.3 When state-mandated services cannot be fully funded through fees authorized by statute, the responsible department shall coordinate with Government Relations to advocate for legislative or regulatory changes that enable adequate cost recovery.

3.4 Fee changes must be approved by the Board of County Commissioners unless otherwise delegated by the Board.

3.5 When possible, rates should be updated on a regular schedule to help smooth charges and fees over time rather than having uneven impacts with sharp increases.

4. Grants and Intergovernmental Revenues

4.1 Grant-related revenues are governed by Administrative Policy 450 (Grants Management). Departments shall comply with all provisions of that policy for grant application, acceptance, administration, and reporting. Grant revenues, spending, and accounting shall be tracked, monitored, and reconciled by the receiving department in coordination with Finance.

4.2 Intergovernmental revenues not subject to Policy 450 (Grants Management) shall be tracked, monitored, and reconciled by the receiving department in coordination with Finance.

5. Revenue Contracts

5.1 Departments are responsible for tracking and monitoring revenue contracts for adherence to deliverables, payment terms, and compliance with contract provisions.

5.2 Revenue contract performance shall be reviewed annually, and Finance shall be notified of any anticipated revenue shortfalls.

6. Revenue Collection

6.1 Departments are responsible for timely billing and collection of revenues owed to the County.

6.2 All funds received must be deposited promptly to the appropriate bank account. All funds should be deposited as soon as possible, ideally within one business day.

6.3 Internal controls shall be maintained over all cash receipts and accounts receivable, including segregation of duties, timely reconciliation to applicable ledgers, physical security procedures, and fraud reporting procedures.

6.4 The Finance Department will monitor compliance, provide support, and maintain documentation of internal controls.

7. Uncollectible Accounts

7.1 Departments shall make reasonable efforts to collect all amounts owed to the County before an account may be considered for write-off.

7.2 Collection procedures shall follow these timelines:

- Collections letters shall be sent promptly after an account comes past due, in accordance with timelines established by the Finance Department.
- If payment is not received in accordance with timelines established by the Finance Department, the account shall be referred to a collection agency.
- An account may be considered for write-off after the collection agency has attempted collection in accordance with timelines established by the Finance Department and has determined the account is uncollectible.

7.3 Write-off of uncollectible accounts requires written authorization from the Chief Financial Officer or designee, in accordance with ORS 293.240 criteria.

7.4 All write-offs shall be recorded to the appropriate expense account as designated by the Finance Department and documented with supporting information regarding collection efforts.

7.5 Write-off of an account does not extinguish the legal liability for the debt. If payment is subsequently received on a written-off account, the amount shall be recorded as revenue in the period received.

7.6 An allowance for doubtful accounts shall be maintained and estimated by the Finance Department based on a documented method of calculation.

8. Bankruptcy Notices

8.1 All bankruptcy notices received on accounts receivable, including accounts that have been referred to a collection agency, must be forwarded to the Finance Department immediately.

8.2 Finance will coordinate distribution of notices to County Counsel and the collections agency as needed, and gather the required information to process the County's response within applicable legal deadlines.

9. Returned Checks (Non-Sufficient Funds)

9.1 All returned checks are received in the Finance Department.

9.2 The department that originally deposited the funds will be notified of the return and is responsible for collection of the original amount plus any applicable returned check fees.

9.3 Returned check fees shall be assessed in accordance with the County's adopted fee schedule and applicable state law.

9.4 Procedures for collection of returned checks, including referral timelines and acceptable remedies, shall be documented by the Finance Department.

10. Methods of Payment

10.1 Acceptable methods of payment include ACH, credit cards, checks, and cash equivalents. The County does not accept foreign currency, cryptocurrency, precious metals, or other non-standard forms of payment. Departments may accept a more limited subset of payment methods based on operational needs and shall clearly communicate accepted payment methods to customers at the point of service.

10.2 Electronic methods of payment shall be promoted when feasible and cost-effective to reduce risk and increase cash flow.

10.3 Any convenience fees or processing charges associated with specific payment methods shall be clearly communicated to payers.

11. Donations

11.1 Eligibility and Public Purpose. The County may accept donations that serve a public purpose within its legal authority. Donations that would benefit specific private parties, create conflicts of interest, impose undue administrative or financial burdens, or conflict with County policies or values shall not be accepted.

11.2 Acceptance and Approval. Donation acceptance authority is delegated as follows:

- Unrestricted cash donations of $25,000 or less may be accepted by the receiving Department Director.
- Unrestricted cash donations greater than $25,000 but not exceeding $300,000 require approval by the Chief Financial Officer.
- Unrestricted cash donations exceeding $300,000 require approval by the Board of County Commissioners.
- Restricted cash donations exceeding $5,000 require review by the Chief Financial Officer to assess compliance implications. Restricted cash donations of $5,000 or less may be accepted by the Department Director, provided the restrictions are consistent with the department's mission and do not require ongoing reporting obligations to the donor.
- Restricted donations of $300,000 or more require approval by the Board of County Commissioners.
- Non-cash donations require review by the Chief Financial Officer to assess valuation, carrying costs, and disposition requirements prior to acceptance. Non-cash donations of consumable goods (such as food, supplies, and materials) valued at $500 or less per donation may be accepted directly by the receiving department without CFO review, provided the items are consistent with the department's operational needs. Departments maintaining wish lists or similar donation programs shall establish procedures for tracking and acknowledging such donations.
- Non-cash donations valued in excess of $5,000 should generally be directed to a 501(c)(3) foundation partner, unless the Chief Financial Officer determines that direct acceptance is in the County's interest.
- This section does not apply to: (1) real property dedications required as conditions of land use or development approval, which are processed under the Community Development Code; or (2) property transfers through probate or estate proceedings, which shall be coordinated with County

Counsel and Finance. Such transfers are not considered donations under this policy.

11.3 Donor Restrictions. Donor restrictions must be documented prior to acceptance. For donations made through the County's online giving platforms, the donor's fund selection constitutes documentation of the restriction. For donations of $5,000 or more with specific conditions beyond fund designation, a formal Gift Agreement shall be executed. Restrictions must be lawful, serve a public purpose, and be administratively feasible.

11.4 Receipting and IRS Compliance. Written acknowledgment shall be provided for all donations of $250 or more, in accordance with IRS requirements. The acknowledgment shall include the County's name, date of donation, description of property donated (for non-cash gifts), and a statement of whether any goods or services were provided in exchange. For non-cash donations exceeding $5,000 (other than publicly traded securities), the donor is responsible for obtaining a qualified appraisal; the County will sign IRS Form 8283 as the donee organization upon request.

Donation Value	**Donor Responsibility**	**County (Donee) Responsibility**
$250 or more	Obtain written acknowledgment from County (donee)	Provide written acknowledgment to donor (no valuation required)
$500 or more	File Form 8283, Section A (self-reported value)	None – donor files, not donee
$5,000 or more (non-cash, except publicly traded securities)	Obtain qualified appraisal; file Form 8283, Section B	Sign Part V of Form 8283 (Donee Acknowledgment) upon request
$500,000 or more	Attach full appraisal to tax return	Same as above

11.5 Stock and Securities Donations. The County may accept donations of publicly traded securities. The following guidelines apply:

- The Finance Department shall maintain a brokerage account for receiving securities donations.
- Donated securities shall be liquidated promptly upon receipt to minimize market risk, unless otherwise directed by the Chief Financial Officer.
- The value of publicly traded securities shall be determined by the average of the high and low trading prices on the date of receipt.
- Donations of closely held or non-publicly traded securities require approval by the Chief Financial Officer and may require a qualified independent appraisal.

- Detailed procedures for accepting and processing securities donations shall be documented by the Finance Department.

11.6 Disposal of Non-Cash Donations. If the County sells, exchanges, transfers, or otherwise disposes of non-cash donated property for which the donor claimed a value exceeding $5,000, and the disposition occurs within three years of the date of receipt, the Finance Department shall file IRS Form 8282 (Donee Information Return) within 125 days of the disposition and provide a copy to the donor. Departments shall notify Finance promptly upon disposition of any non-cash donated property to ensure compliance with this requirement. Records of non-cash donations, including the date of receipt, donor information, and description of property, shall be retained for a minimum of three years from the date of receipt or in accordance with the County's records retention schedule, whichever is longer. This requirement does not apply to items consumed or distributed in the normal course of the County's exempt purpose (such as food or supplies used in program operations).

11.7 Foundation Partnerships. The County may partner with 501(c)(3) charitable organizations to facilitate acceptance of complex, endowed, or planned gifts. . Foundation partners must maintain appropriate accounting and reporting for funds held on behalf of the County.

11.8 Ethics Standards. County officials and employees involved in soliciting or accepting donations must comply with Oregon Government Ethics Law (ORS 244.025–244.040), including restrictions on gifts and prohibited use of office. Donations shall not be solicited or accepted in a manner that creates or appears to create a conflict of interest or an improper advantage for the donor.

12. Transparency and Reporting

12.1 The County will maintain transparency in revenue reporting through the Annual Comprehensive Financial Report (ACFR) and the Adopted Budget, as described in Administrative Policy 401 (Accounting and Financial Reporting).

12.2 Revenue information shall comply with all applicable public records and financial reporting requirements.

12.3 Fee schedules will be made publicly available and updated as part of the annual budget adoption process.

12.4 Donations, including restricted contributions, shall be reported in accordance with GASB standards in the ACFR. Departments receiving donor-restricted contributions shall ensure revenues and expenditures are properly recorded and reconciled.

RESPONSIBILITIES

1. Board of County Commissioners (BCC): Approves fee schedules, revenue-related policies, donations exceeding $300,000 or involving naming rights, and exceptions to this policy as provided herein.
2. County Administrator: Provides overall direction for revenue management and may approve exceptions to this policy as delegated by the BCC.

3. Chief Financial Officer: Oversees implementation of this policy, authorizes write-offs of uncollectible accounts, reviews and approves donations as provided herein, monitors compliance, and ensures adequate internal controls are maintained. Questions regarding the intent or application of this policy shall be directed to the Chief Financial Officer or designee.
4. Finance Department: Supports departments with forecasting and collection activities, processes returned checks and bankruptcy notices, maintains the securities brokerage account, processes donation acknowledgments, maintains documentation, provides training on accounts receivable procedures, and monitors compliance with this policy.
5. Budget Office: Develops revenue forecasts and collaborates with departments during the annual budget process to ensure revenue estimates are conservative and well-documented.
6. Departments: Responsible for initiating and managing revenue-generating activities, including timely billing, collection, contract oversight, and compliance with this policy. Departments shall ensure appropriate separation of duties in accounts receivable processing and shall pursue new revenue sources where appropriate. Departments receiving donations shall coordinate with Finance to ensure proper acceptance, acknowledgment, and accounting.

EXCEPTIONS

Exceptions to this policy may be granted only by the Washington County Board of County Commissioners unless such authority has been delegated to the County Administrator or Chief Financial Officer.

IMPLEMENTATION

This policy is effective upon adoption by the Board of County Commissioners. Elected officials and department directors are expected to be knowledgeable of, and shall be responsible for, implementing this policy within their respective departments. The Board of County Commissioners retains authority to delegate, rescind, approve, or deny exceptions as they deem fit on a case-by-case basis. Observance of this policy is mandatory for all County employees, and violation may result in disciplinary action (up to and including termination).

PERIODIC REVIEW

This policy shall be reviewed by the Finance Department, in coordination with the Budget Office, at least every three years or more often if needed, and updated as necessary. Review shall occur during the annual budget process to ensure alignment with current practices and GFOA best practices. The review shall include an assessment of fee schedules, collection procedures, donation procedures, and revenue forecasting accuracy.