



## MONTANA DEPARTMENT OF ADMINISTRATION

State Financial  
Services Division

Cheryl Grey, Administrator

Statewide Accounting & Financial Systems • 406.444.3092  
Local Government Services • 406.444.9101  
[sfsd.mt.gov](https://sfsd.mt.gov)

DATE: November 2025

TO: Independent Auditors and Other Users of the Compliance Supplement for Audits  
of Montana Local Government Entities

RE: COMPLIANCE SUPPLEMENT 2025 UPDATE – DRAFT status pending final MCA updates  
from the 2025 Legislative Session

The Compliance Supplement for Audits of Montana Local Government Entities (*Supplement*) **is currently in DRAFT status**. Until Montana Code Annotated has been updated officially for the legislative changes passed in the Montana 2024-2025 session, the Supplement should be used for planning purposes only for fiscal year 2025 audits.

The Supplement does contain revisions for legislation passed in the 2023 Montana Legislature and can be used for any audits that have not been completed for fiscal years prior to 2025.

Some of the revisions reflect recent concerns and questions and do not necessarily result from recent legislation. We have also made changes in style and format that should be fine with your audit programs. Significant revisions to the *Supplement* are highlighted in grey to assist you in updating your audit compliance programs.

The *Supplement* can be found on our website at  
<https://sfsd.mt.gov/LGSB/Audit-Financial-Review-Resources/ComplianceSupplement/index1>