

## REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of County Commissioners  
Multnomah County, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons for the General Fund and the Federal and State Program Fund of Multnomah County, Oregon (the County) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated October 31, 2014. Our report includes a reference to other auditors who audited the financial statements of The Library Foundation, as described in our report on the County's financial statements. The financial statements of the Library Foundation were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with The Library Foundation.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moss Adams, LLP*

Eugene, Oregon  
October 31, 2014

## **REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

The Board of County Commissioners  
 Multnomah County, Oregon

### **Report on Compliance for Each Major Federal Program**

We have audited Multnomah County, Oregon's (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2014. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2014-002. Our opinion on each major federal program is not modified with respect to these matters.

## MOSS ADAMS<sub>LLP</sub>

The County's response to the noncompliance findings identified in our audit are described in the accompanying Management's Views and Corrective Action Plan to Current Year Audit Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2014-002 that we consider to be significant deficiencies.

The County's response to the internal control over compliance findings identified in our audit are described in the accompanying Management's Views and Corrective Action Plan to Current Year Audit Findings and Questioned Costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Moss Adams, LLP*

Eugene, Oregon  
October 31, 2014

**MULTNOMAH COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**For the Year ended June 30, 2014**

CFDA	*A	Program Title	Grantor	Pass-Through Entity Number	Direct Expenditures	Pass-through Expenditures	Total Federal Expenditures
<b>DEPARTMENT OF AGRICULTURE</b>							
10.170		Specialty Crop Block Grant Program - Farm Bill	Oregon Physicians for Social Responsibility	0701-093013	-	21,430	21,430
10.553		School Breakfast Program	Oregon State, Dept. of Education	2613007	-	50,913	50,913
10.555		National School Lunch Program	Oregon State, Dept. of Education	2613007	-	101,353	101,353
			<i>Total Child Nutrition Cluster</i>		-	152,266	152,266
10.557	*	Special Supplemental Nutrition Program for Women, Infants, and Children	Oregon State, Health Division	1936002309	-	3,199,992	3,199,992
10.561		State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	Oregon State, Dept. of Human Services		-	42,707	42,707
10.665		Schools and Roads - Grants to States	U.S. Forest Service		244,530	-	244,530
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>					<b>244,530</b>	<b>3,416,395</b>	<b>3,660,925</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>							
14.218		Community Development Block Grants/Entitlement Grants	City of Portland, OR	30000598	-	252,670	252,670
14.218		Community Development Block Grants/Entitlement Grants	U.S. Dept. of Housing & Urban Dev.		326,849	-	326,849
		<i>Total Community Development Block Grants/Entitlement Grants</i>			326,849	252,670	579,519
14.231		Emergency Solutions Grant Program	Oregon State, Dept. of Housing & Community	E-11-DC-41-0001	-	83,072	83,072
14.235		Supportive Housing Program	U.S. Dept. of Housing & Urban Dev.		2,286,346	-	2,286,346
14.239		Home Investment Partnerships Program	Home Forward	7multn02	-	78,951	78,951
14.881		Moving to Work Demonstration Program	Home Forward	7multn02	-	24,442	24,442
14.901		Healthy Homes Demonstration Grants	U.S. Dept. of Housing & Urban Dev.		16,450	-	16,450
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					<b>2,629,645</b>	<b>439,135</b>	<b>3,068,780</b>
<b>DEPARTMENT OF THE INTERIOR</b>							
15.226		Payment in Lieu of Taxes	U.S. Dept. of the Interior		59,704	-	59,704
15.227		Distribution of Receipts to State and Local Governments	U.S. Dept. of the Interior		248,930	-	248,930
<b>TOTAL DEPARTMENT OF THE INTERIOR</b>					<b>308,634</b>	<b>-</b>	<b>308,634</b>

\* Indicates a Major Federal Program  
A Indicates inclusion of ARRA funding

The notes to the SEFA are an integral part of this statement.

**MULTNOMAH COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**For the Year ended June 30, 2014**

CFDA	*A	Program Title	Grantor	Pass-Through Entity Number	Direct Expenditures	Pass-through Expenditures	Total Federal Expenditures
<b>DEPARTMENT OF JUSTICE</b>							
16.111		Joint Law Enforcement Operations (JLEO)	U.S. Dept. of Justice, U.S. Marshal Office		122,102	-	122,102
16.203		Promoting Evidence Integration in Sex Offender Management					
16.203		Discretionary Grant Program	U.S. Dept. of Justice		49,952	-	49,952
16.523		Juvenile Accountability Block Grants	Oregon State, Commission on Children	2008-6362	-	65,954	65,954
16.527		Supervised Visitation, Safe Havens for Children	U.S. Dept. of Justice		173,777	-	173,777
16.543		Missing Children's Assistance	U.S. Dept. of Justice		421,533	-	421,533
16.575		Crime Victim Assistance	Oregon State, Dept. of Justice	08-3205/09-3437	-	198,088	198,088
16.585		Drug Court Discretionary Grant Program	U.S. Dept. of Justice		111,753	-	111,753
16.590		Grants to Encourage Arrest Policies and Enforcement of					
16.590		Protection Orders Program	U.S. Dept. of Justice		276,177	-	276,177
16.606		State Criminal Alien Assistance Program	U.S. Dept. of Justice		252,511	-	252,511
16.730		Reduction and Prevention of Children's Exposure to Violence	U.S. Dept. of Justice		219,052	-	219,052
16.730		Protecting Inmates and Safeguarding Communities Discretionary					
16.735		Grant Program	Linn County of Oregon	2014-032		6,824	6,824
16.736		Transitional Housing Assistance for Victims of Domestic					
16.736		Violence, Dating Violence, Stalking, or Sexual Assault	U.S. Dept. of Justice		86,319	-	86,319
16.738	*	Edward Byrne Memorial Justice Assistance Grant Program	Oregon State, Dept. of Justice		-	889,915	889,915
16.738	*	Edward Byrne Memorial Justice Assistance Grant Program	Oregon State, Dept. of Justice	1936002309	-	127,707	127,707
16.738	*	Edward Byrne Memorial Justice Assistance Grant Program	City of Portland, OR, Bureau of Police	2009-0552	-	59,804	59,804
16.738	*	Edward Byrne Memorial Justice Assistance Grant Program	City of Portland, OR, Bureau of Police	2013-DJ-BX-0329	-	119,736	119,736
16.738	*	Edward Byrne Memorial Justice Assistance Grant Program	Oregon State, Dept. of Justice	LEO12-11	-	8,234	8,234
<i>Total Edward Byrne Memorial Justice Assistance Grant Program</i>					-	1,205,396	1,205,396
16.803	* A	Recovery Act - Edward Byrne Memorial Justice Assistance Grant		ARRA			
16.803		(JAG) Program/ Grants to States and Territories	Oregon State, Dept. of Justice	1936002309	-	274,377	274,377
<i>Total Justice Assistance Grant Cluster</i>					-	1,479,773	1,479,773
16.752		Economic High-Tech and Cyber Crime Prevention	City of Portland, OR, Bureau of Police	1112156	-	1,647	1,647
16.754		Harold Rogers Prescription Drug Monitoring Program	Oregon State, Health Div.		-	18,707	18,707
16.817		Byrne Criminal Justice Innovation Program	U.S. Dept. of Justice		223,879	-	223,879
<b>TOTAL DEPARTMENT OF JUSTICE</b>					<b>1,937,055</b>	<b>1,770,994</b>	<b>3,708,049</b>

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**MULTNOMAH COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**For the Year ended June 30, 2014**

CFDA	*A	Program Title	Grantor	Pass-Through Entity Number	Direct Expenditures	Pass-through Expenditures	Total Federal Expenditures
<b>DEPARTMENT OF TRANSPORTATION</b>							
20.205		Highway Planning and Construction	Oregon State, Dept. of Transportation	1936002309	-	10,414,244	10,414,244
20.218		National Motor Carrier Safety	Oregon State, Dept. of Transportation	1936002309	-	9,280	9,280
20.232		Commercial Driver's License Program Improvement Grant	Oregon State, Dept. of Transportation	1936002309	-	63,079	63,079
20.600		State and Community Highway Safety	Alliance for Community Traffic Safety		-	1,337	1,337
20.600		State and Community Highway Safety	Oregon State, Dept. of Transportation		-	19,878	19,878
			<i>Total State and Community Highway Safety</i>		-	21,215	21,215
20.601		Alcohol Impaired Driving Countermeasures Incentive Grants I	Oregon State, Dept. of Transportation	K8-13-12-31SPF	-	5,000	5,000
			<i>Total Highway Safety Cluster</i>			26,215	26,215
20.933	*	National Infrastructure Investments	Oregon State, Dept. of Transportation	FHWA FY11 #21		11,988,761	11,988,761
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>					-	<b>22,501,579</b>	<b>22,501,579</b>
<b>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</b>							
45.310		Grants to States	Oregon State, Library Division		-	398,317	398,317
45.312		National Leadership Grants	Portland State University		-	2,009	2,009
<b>TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES</b>					-	<b>400,325</b>	<b>400,325</b>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>							
		Surveys, Studies, Research, Investigations, Demonstrations, and					
66.034		Special Purpose Activities Relating to the Clean Air Act	U.S., Environmental Protection Agency		46,793	-	46,793
66.432		State Public Water System Supervision	Oregon State, Health Div.	1936002309	-	1,094	1,094
66.468	A	Capitalization Grants for Drinking Water State Revolving Funds	Oregon State, Health Div.	ARRA 1936002309	-	4,191	4,191
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>					<b>46,793</b>	<b>5,285</b>	<b>52,078</b>
<b>DEPARTMENT OF ENERGY</b>							
81.042		Weatherization Assistance for Low-Income Persons	Oregon State, Housing & Community Svc.		-	286,193	286,193
<b>TOTAL DEPARTMENT OF ENERGY</b>					-	<b>286,193</b>	<b>286,193</b>

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**MULTNOMAH COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**For the Year ended June 30, 2014**

CFDA	*A	Program Title	Grantor	Pass-Through Entity Number	Direct Expenditures	Pass-through Expenditures	Total Federal Expenditures
<b>DEPARTMENT OF EDUCATION</b>							
84.002		Adult Education - Basic Grants to States	Portland Community College	045-09	-	23,080	23,080
84.010		Title I Grants to Local Educational Agencies	Portland Public Schools, Dist. 1J		-	240,000	240,000
84.287		Twenty-First Century Community Learning Centers	Centennial Schools, Dist. 28J	1213050	-	37,885	37,885
84.287		Twenty-First Century Community Learning Centers	Gresham Barlow School Dist.	1213049	-	73,000	73,000
			<i>Total Twenty-First Century Learning Centers</i>		-	110,885	110,885
			<b>TOTAL DEPARTMENT OF EDUCATION</b>		-	<b>373,965</b>	<b>373,965</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>							
93.008		Medical Reserve Corps Small Grant Program	National Assoc. of City and County Health Officials		-	3,882	3,882
93.041		Special Programs for the Aging Title VII, Chapter 3 Programs for Prevention of Elder Abuse, Neglect, and Exploitation	Oregon State, Senior & Disabled Services Div.	1936002309	-	4,387	4,387
93.043		Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services	Oregon State, Senior & Disabled Services Div.	1936002309	-	34,313	34,313
93.048		Special Programs for the Aging Title IV and Title II Discretionary Projects	Oregon State, Dept. of Consumer Affairs	1936002309	-	14,342	14,342
93.052		National Family Caregiver Support, Title III, Part E Special Programs for the Aging Title III, Part B Grants for	Oregon State, Senior & Disabled Services Div.	1936002309	-	232,640	232,640
93.044	*	Supportive Services and Senior Centers	Oregon State, Senior & Disabled Services Div.	1936002309	-	753,057	753,057
93.045	*	Special Programs for the Aging Title III, Part C Nutrition Services	Oregon State, Senior & Disabled Services Div.	1936002309	-	945,868	945,868
93.053	*	Nutrition Services Incentive Program	Oregon State, Senior & Disabled Services Div.	1936002309	-	418,627	418,627
			<i>Total Aging Cluster</i>		-	2,117,552	2,117,552
93.069		Public Health Emergency Preparedness	Oregon State, Health Div.	1936002309	-	270,793	270,793
93.069		Public Health Emergency Preparedness	Washington State, Dept. of Health		-	21,954	21,954
			<i>Total Public Health Emergency Preparedness</i>		-	292,747	292,747
93.070		Environmental Public Health and Emergency Response	Oregon State, Health Div.	1936002308	-	18,975	18,975
93.071		Medicare Enrollment Assistance Program	Oregon State, Dept. of Consumer Affairs	MIPPA09-11-12	-	140,617	140,617
93.086		Healthy Marriage Promotion and Responsible Fatherhood Grants	Northwest Family Svcs.	90AE0160	-	309,176	309,176
93.092		Affordable Care Act (ACA) Personal Responsibility Education Program	Oregon State, Health Div.		-	87,206	87,206
93.103		Food and Drug Administration Research	U.S. Dept. of Health & Human Svcs.		59,237	-	59,237

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**MULTNOMAH COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**For the Year ended June 30, 2014**

CFDA	*A	Program Title	Grantor	Pass-Through Entity Number	Direct Expenditures	Pass-through Expenditures	Total Federal Expenditures
<b><u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u></b>							
93.110		Maternal and Child Health Federal Consolidated Programs	National Assoc. of County and City Health Officers		-	6,000	6,000
93.116		Project Grants and Cooperative Agreements for Tuberculosis Control Programs	Oregon State, Health Div.	1936002309	-	55,330	55,330
93.121		Oral Diseases and Disorders Research	U.S. Dept. of Health & Human Svcs.		2,152	-	2,152
93.136		Injury Prevention and Control Research and State and Community Based Programs	U.S. Dept. of Health & Human Svcs.		205,430	-	205,430
93.136		Injury Prevention and Control Research and State and Community Based Programs	Oregon State, Health Div.			20,289	20,289
		<i>Total Injury Prevention and Control Research and State and Community Based Programs</i>			<u>205,430</u>	<u>20,289</u>	<u>225,720</u>
93.137		Program	Cascade AIDS Project		-	38,365	38,365
93.145		AIDS Education and Training Centers	University of Washington	654951	-	101,322	101,322
93.150		Projects for Assistance in Transition from Homelessness (PATH)	Oregon State, Dept. of Human Svcs.		-	240,118	240,118
93.153		Coordinated Services and Access to Research for Women, Infants, Children, and Youth	U.S. Dept. of Health & Human Svcs.		376,602	-	376,602
93.217		Family Planning Services	Oregon State, Health Div.	1936002309	-	337,147	337,147
93.224		Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers)	U.S. Dept. of Health & Human Svcs.		7,635,721	-	7,635,721
93.235		Affordable Care Act (ACA) Abstinence Education Program	Oregon State, Div. of Children & Families		-	12,948	12,948
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	Oregon State, Dept. of Human Svcs.		-	186,793	186,793
93.243		Substance Abuse and Mental Health Services Projects of Regional and National Significance	Lifeworks NW		-	3,333	3,333
		<i>Total S.A.M.H.S. Projects of Regional and National Significance</i>			<u>-</u>	<u>190,126</u>	<u>190,126</u>
93.268		Immunization Cooperative Agreements	Oregon State, Health Div.		-	4,596	4,596
93.270		Adult Viral Hepatitis Prevention and Control	U.S. Dept. of Health & Human Svcs.		76,521	-	76,521
93.283		The Affordable Care Act: Centers for Disease Control and Prevention Investigations and Technical Assistance	Oregon State, Health Div.		-	221,315	221,315
93.283		The Affordable Care Act: Centers for Disease Control and Prevention Investigations and Technical Assistance	Project Access Now		-	1,976	1,976
		<i>Total Affordable Care Act</i>			<u>-</u>	<u>223,291</u>	<u>223,291</u>

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The notes to the SEFA are an integral part of this statement.

**MULTNOMAH COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**For the Year ended June 30, 2014**

CFDA	*A	Program Title	Grantor	Pass-Through Entity Number	Direct Expenditures	Pass-through Expenditures	Total Federal Expenditures
<b><u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u></b>							
93.420	A	ARRA - Community Health Applied Research Network	Oregon Community Health Information Network Inc.	ARRA	-	84	84
93.501		Affordable Care Act (ACA) Grants for School-Based Health Center Capital Expenditures	U.S. Dept. of Health & Human Svcs.		473,880	-	473,880
93.505		Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	Oregon State, Health Div.	132027	-	455,531	455,531
93.517		Affordable Care Act Aging and Disability Resource Center	Oregon State, Senior & Disabled Svcs. Div.		-	72,461	72,461
93.524		Strengthen Public Health Infrastructure and Performance	Officials		-	6,826	6,826
93.556		Promoting Safe and Stable Families	U.S. Dept. of Health & Human Svcs.				-
93.558		Temporary Assistance for Needy Families	Oregon State, Housing & Community Svcs.	1936002309	-	95,480	95,480
93.563		Child Support Enforcement	Oregon State, Dept. of Justice	1936002309	-	1,784,395	1,784,395
93.568		Low-Income Home Energy Assistance	Oregon State, Housing & Community Svcs.	0310559	-	5,756,078	5,756,078
93.569		Community Services Block Grant	Oregon State, Housing & Community Svcs.	0310559	-	790,367	790,367
93.576		Refugee and Entrant Assistance Discretionary	U.S. Dept. of Health & Human Svcs.		96,372	-	96,372
93.597		Grants to States for Access and Visitation	Oregon State, Dept. of Justice	Multnomah	-	78,709	78,709
93.600		Head Start	Mt. Hood Community College	0210115-6	-	20,758	20,758
93.601		Child Support Enforcement Demonstrations and Special Projects	Oregon State, Dept. of Justice		-	4,958	4,958
93.610		Health Care Innovation Awards (HCIA)	Providence Hospital, Portland OR		-	607,419	607,419
93.610		Health Care Innovation Awards (HCIA)	Health Share of Oregon			4,279	4,279
<i>Total Health Care Innovation Awards</i>					-	611,698	611,698
93.624		ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance	Oregon State, Health Div.		-	173,307	173,307
93.658		Foster Care Title IV-E	Oregon State, Dept. of Human Svcs.		-	570,919	570,919
93.667		Social Services Block Grant	Oregon State, Dept. of Education	MUL0911	-	497,280	497,280
93.736		Prevention Public Health Fund: Viral Hepatitis Prevention	U.S. Dept. of Health & Human Svcs.		42,482	-	42,482
93.779		Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	Oregon State, Dept. of Human Svcs.		-	18,773	18,773
93.779		Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	Oregon State, Dept. of Consumer Svcs.		-	20,000	20,000
<i>Total C.M.S. Research, Demonstrations and Evaluations</i>					-	38,773	38,773
93.837		Cardiovascular Diseases Research	Kaiser Research Foundation Institute	R18HL095481-04	-	32,059	32,059

\* Indicates a Major Federal Program

A Indicates inclusion of ARRA funding

The notes to the SEFA are an integral part of this statement.

**MULTNOMAH COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**For the Year ended June 30, 2014**

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CFDA	*A	Program Title	Grantor	Pass-Through Entity Number	Direct Expenditures	Pass-through Expenditures	Total Federal Expenditures
<b><u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u></b>							
93.866		Aging Research	University of Washington		-	10,346	10,346
93.889		National Bioterrorism Hospital Preparedness Program	Oregon State, Health Div.	1936002309	-	321,668	321,668
93.914		HIV Emergency Relief Project Grants	U.S. Dept. of Health & Human Svcs.		3,550,882	-	3,550,882
93.918		Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	U.S. Dept. of Health & Human Svcs.		850,949	-	850,949
93.924		Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	Oregon Health Sciences University, Sponsored Prof. Admin.		-	12,348	12,348
93.926		Healthy Start Initiative	U.S. Dept. of Health & Human Svcs.		927,586	-	927,586
93.928		Special Projects of National Significance	U.S. Dept. of Health & Human Svcs.		384,711	-	384,711
93.940		HIV Prevention Activities Health Dept. Based Human Immunodeficiency Virus (HIV)/Acquired	Oregon State, Health Div.	1936002309	-	776,266	776,266
93.944		Immunodeficiency Virus Syndrome (AIDS) Surveillance	Oregon State, Health Div.	1936002309	-	424,642	424,642
93.945		Assistance Programs for Chronic Disease Prevention and Control	Nat'l Assoc. of Chronic Disease Directors	MCHD#080	-	27,646	27,646
93.958		Block Grants for Community Mental Health Services	Oregon State, Dept. of Health & Human Svcs.		-	395,451	395,451
93.959	*	Block Grants for Prevention and Treatment of Substance Abuse Preventive Health Services Sexually Transmitted Diseases	Oregon State, Dept. of Human Svcs.		-	4,006,061	4,006,061
93.977		Control Grants	U.S. Dept. of Health & Human Svcs.		49,250	-	49,250
93.994		Block Grant to the States	Oregon State, Health Div.	1936002309	-	437,552	437,552
93.994		Block Grant to the States	Oregon Health Sciences University		-	120,487	120,487
<i>Total Maternal and Child Health Services Block Grant to the States</i>					-	558,039	558,039
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>					<b>14,731,777</b>	<b>22,007,518</b>	<b>36,739,295</b>
<b><u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u></b>							
94.011		Foster Grandparent Program	Corp. for National & Community Svc.		229,716	-	229,716
<b>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					<b>229,716</b>	<b>-</b>	<b>229,716</b>
<b><u>EXECUTIVE OFFICE OF THE PRESIDENT</u></b>							
95.001		High Intensity Drug Trafficking Areas Program	Oregon H.I.D.T.A. Program		-	60,000	60,000
<b>TOTAL EXECUTIVE OFFICE OF THE PRESIDENT</b>					<b>-</b>	<b>60,000</b>	<b>60,000</b>

\* Indicates a Major Federal Program  
A Indicates inclusion of ARRA funding

The notes to the SEFA are an integral part of this statement.

**MULTNOMAH COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**  
**For the Year ended June 30, 2014**

CFDA	*A	Program Title	Grantor	Pass-Through Entity Number	Direct Expenditures	Pass-through Expenditures	Total Federal Expenditures
<b>DEPARTMENT OF HOMELAND SECURITY</b>							
97.008		Non-Profit Security Program	Portland Bureau of Emergency Management		-	225,362	225,362
97.012		Boating Safety Financial Assistance	Oregon State, Marine Board	1936002309	-	805,159	805,159
97.042		Emergency Management Performance Grants	Oregon State, Office of Emergency Management		-	442,015	442,015
97.067		Homeland Security Grant Program	Portland Bureau of Emergency Management		-	242,000	242,000
97.073		State Homeland Security Program (SHSP)	Portland Bureau of Emergency Management		-	1,579	1,579
97.073		State Homeland Security Program (SHSP)	Oregon State, Office of Emergency Management		-	40,989	40,989
97.074		Law Enforcement Terrorism Prevention Program (LETPP)	Portland Bureau of Emergency Management		-	42,568	42,568
					-	6,938	6,938
		<b>TOTAL DEPARTMENT OF HOMELAND SECURITY</b>			-	<b>1,764,041</b>	<b>1,764,041</b>
		<b>TOTAL FEDERAL FUNDING</b>			<b>20,128,150</b>	<b>53,025,430</b>	<b>73,153,579</b>

\* Indicates a Major Federal Program  
A Indicates inclusion of ARRA funding

The notes to the SEFA are an integral part of this statement.

**MULTNOMAH COUNTY, OREGON**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2014**

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**Note A – General**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all Federal awards programs of Multnomah County, Oregon (the County) for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The County's reporting entity is defined in Note 1 to the County's June 30, 2014 basic financial statements.

**Note B – Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified-accrual basis of accounting, as described in Note 1 to the County's basic financial statements. Expenditures reported on this schedule are recognized following the cost principles in OMB Circular A-87, *Cost Principles for State, Local Governments and Indian Tribal Governments*, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

The Highway Planning and Construction grant, CFDA 20.205, was reported on the cash basis due to the nature of this award. The Schedule provides the summary of expenditures of federal awards by program or program cluster (CFDA number), by State Agency, if applicable, and by detailed pass through agency, if applicable. Federal CFDA numbers are from the Catalog of Federal Domestic Assistance (CFDA) published by the Office of Management and Budget and the General Services Administration.

**Note C – Relationship to Basic Financial Statements**

Federal financial assistance revenues reported in the County's basic financial statements are included with operating grants and contributions.

**Note D – Non-cash Awards**

The accompanying Schedule of Expenditures of Federal Awards includes one non-cash award.

An award from the State Department of Education provides food donations (CFDA #10.555 - Commodity Supplemental Food Program) for the Juvenile Detention Center. The value of the food is determined by the grantor; \$6,738. This amount is included in the total program value reported on the Schedule of Expenditures of Federal Awards of \$101,353.

**MULTNOMAH COUNTY, OREGON**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2014**

**Note E - Subrecipients**

Of the Federal expenditures presented in the schedule, Multnomah County provided Federal awards to subrecipients as follows:

<b><u>Program Title</u></b>	<b><u>Federal CFDA number</u></b>	<b><u>Amount provided to subrecipients</u></b>
Schools and Roads - Grants to States	10.665	56,481
Community Development Block Grants/Entitlement Grants	14.218	499,069
Emergency Solutions Grant Program	14.231	81,055
Supportive Housing Program	14.235	1,784,611
Healthy Homes Demonstration Grants	14.901	3,584
Supervised Visitation, Safe Havens for Children	16.527	17,055
Missing Children's Assistance	16.543	263,357
Drug Court Discretionary Grant Program	16.585	82,432
Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	16.590	138,730
Violence, Stalking, or Sexual Assault	16.736	41,050
Edward Byrne Memorial Justice Assistance Grant Program	16.738	597,092
<i>ARRA - Recovery Act - Edward Byrne Memorial Justice Assistance Grant Program/Grants to States and Territories</i>	16.803	118,491
Byrne Criminal Justice Innovation Program	16.817	45,846
Grants to States	45.310	294,300
Title I Grants to Local Educational Agencies	84.010	270,000
Twenty-First Century Community Learning Centers	84.287	73,000
Special Programs for the Aging Title III, Part D Disease Prevention and Promotion Services	93.043	34,313
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	193,314
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	939,593
National Family Caregiver Support, Title III, Part E	93.052	82,538
Nutrition Services Incentive Program	93.053	422,546
Projects for Assistance in Transition from Homelessness (PATH)	93.150	219,713
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	79,902
Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, Public Housing Primary Care, and School Based Health Centers)	93.224	231,977
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	349,298
Low-Income Home Energy Assistance	93.568	366,209
Community Services Block Grant	93.569	659,815

**MULTNOMAH COUNTY, OREGON**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2014**

<b>Note E - Subrecipients (continued)</b>		
<b><u>Program Title</u></b>	<b><u>Federal CFDA number</u></b>	<b><u>Amount provided to subrecipients</u></b>
Health Care Innovation Awards	93.610	139,438
ACA - State Innovation Models: Funding for Model Design and Model Testing Assistance	93.624	2,587
Foster Care Title IV-E	93.658	114,965
Social Services Block Grant	93.667	458,694
Medical Assistance Program	93.778	395,403
HIV Emergency Relief Project Grants	93.914	2,057,452
Special Projects of National Significance	93.928	218,261
HIV Prevention Activities Health Department Based	93.940	326,120
Block Grants for Community Mental Health Services	93.958	395,368
Block Grants for Prevention and Treatment of Substance Abuse	93.959	3,687,253
Non-Profit Security Program	97.008	90,054
<b>Total Subrecipient pass-through</b>		<b><u>15,830,966</u></b>

**MULTNOMAH COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014**

**Section I - Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued:

*Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

☒ Yes ☐ No

**Identification of Major Federal Programs**

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued</i>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	<i>Unmodified</i>
16.738	JAG Cluster, comprised of: Edward Byrne Memorial Justice Assistance Grant Program	<i>Unmodified</i>
16.803	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	
20.933	National Infrastructure Investments	<i>Unmodified</i>
93.044	Aging Cluster, comprised of: Special Programs for the Aging Title III, Part B, Grants for Supportive Services and Senior Centers	<i>Unmodified</i>
93.045	Special Programs for the Aging Title III, Part C Nutrition Services	
93.053	Nutrition Services Incentive Program	
93.959	Block Grants for Prevention and Treatment of Substance Abuse	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs:

\$ 2,194,607



**MULTNOMAH COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014**

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

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**Section II - Financial Statement Findings**

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None reported

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**Section III - Federal Award Findings and Questioned Costs**

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**FINDING 2014-001 – Unallowed Costs – Significant Deficiency in Internal Control and Instances of Noncompliance**

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity - Program Name</i>	<i>Award Number</i>	<i>Award Year</i>	<i>Questioned Costs</i>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children, passed through the State of Oregon, Oregon Health Authority	142024	2014	\$343

***Criteria or specific requirement (including statutory, regulatory, or other citation):***

OMB Circular A-87 requires that all costs charged to an award be necessary and reasonable for proper and efficient performance and administration of Federal awards.

***Condition:*** Immunizations for County employees that were charged to the award through an internal service fund were charged to the award twice.

***Context:*** Out of 32 transactions selected for testing, one was determined to have been charged to the award twice. Further procedures identified seven total transactions that were charged to the award twice.

***Effect:*** The program was overcharged for duplicative transactions.

***Cause:*** There was insufficient oversight and review of these immunization charges because they were charged through an internal service fund.

***Recommendation:*** It is recommended that the County implement the same review and approval process as other general disbursements for these types of transactions.

***Views of responsible officials and planned corrective actions:*** Management's response is included at "Management's Views and Corrective Action Plan."

**MULTNOMAH COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**FINDING 2014-002 –Allowable Costs/Costs Principles– Significant Deficiency in Internal Control and Instance of Noncompliance**

<i>CFDA Number</i>	<i>Federal Agency/Pass-through Entity - Program Name</i>	<i>Award Number</i>	<i>Award Year</i>	<i>Questioned Costs</i>
	JAG Cluster, passed through the State of Oregon, Department of Criminal Justice and the City of Portland, comprised of:	Various	2014	\$303
16.738	Edward Byrne Memorial Justice Assistance Grant Program			
16.803	Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories			

**Criteria or specific requirement (including statutory, regulatory, or other citation):** According to OMB Circular A-133, Section 300 (b) the County is responsible for maintaining internal control over Federal programs to ensure program integrity and proper use of federal resources.

**Condition:** There was an error between an employee's time card and time entry into the payroll module of the accounting system as well as a benefit allocation error within the payroll module.

**Context:** Out of 31 transactions selected for testing, we identified two transactions with errors. One employee had been underpaid due to an error between the employee's timecard and time entry into the payroll module. Additionally, there was a system error in the allocation of payroll related benefits to the award for one employee as the employee's status changed during the pay period.

**Effect:** One employee was underpaid and the County was not reimbursed for \$52 due to the data entry error. The County also overcharged the award by \$303 due to the system allocation error.

**Cause:** The review and approval process over the entry of time and the recording of payroll allocable to grants was not adequate to identify this time entry error and the allocation of payroll related benefits within the payroll module for employees that change employment status during a pay period.

**Recommendation:** We have noted that the County has already implemented a monitoring control to identify individuals with status changes during the pay period to ensure that the appropriate payroll amount is allocated to the award. In addition to that, we recommend that the County review the time entry and approval controls to ensure that the correct amount of payroll is paid to the employee and charged to the award.

**Views of responsible officials and planned corrective actions:** Management's response is included at "Management's Views and Corrective Action Plan."

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**Management's Views and Corrective Action Plan to Current Year Audit  
Findings and Questioned Costs  
For the Fiscal Year Ending June 30, 2014**

**FINDING 2014-001 Unallowed Costs – Significant Deficiency in Internal Control and Instances of Noncompliance- WIC Program**

During the current year's Single Audit, Moss Adams noted one sample out of thirty-two where internal service charges were duplicated and charged twice to this award. Further procedures identified a total of seven duplicate transactions that were erroneously charged to the award.

The County's Health Department Business Services unit has reviewed the Occupational Health internal service charge process and implemented a system-controlled monitoring process effective October 2014. Beginning in October, the Occupational Health subsidiary tracking system began generating a unique numeric identifier (per encounter) that prevents billing duplication.

Prior to implementation of the system-generated tracking system in October, the Health Department Business Services unit manually reviewed and verified the accuracy of all fiscal year 2015 Occupational Health internal billings. No instances of duplication errors occurred while performing the manual review process in fiscal year 2015.

**FINDING 2014-002 -Allowable Cost/Cost Principles– Significant Deficiency in Internal Control and Instance of Noncompliance- JAG Cluster**

While auditing fiscal year 2014 program expenditures, Moss Adams identified two payroll transactions with errors. One employee had been underpaid due to an error between the hours approved on their timecard and the hours processed during time entry. Additionally, there was a system error in the allocation of payroll related benefits to the award for an employee whose status changed during the pay period.

In response to this finding, the County's Department of Community Justice (DCJ) enhanced communication and provided additional education for those with time entry responsibilities. Management clarified the requirement that approved time entry must match the employee's time attendance report without exception. Additionally, DCJ's Business Services unit conducts a monthly review of all time and attendance reports for employees charged to Federal awards to ensure proper approval. This monthly review will now include a verification process that will ensure that the time entered in SAP agrees to the time recorded on the time attendance report.

The County's Central Finance unit, in coordination with the County's Information Technology Department, has identified the system problem that resulted in allocation errors for payroll-related benefits. A system fix has been developed and implemented within SAP to perform proper allocations when an employee's status changes mid pay period. This system fix will ensure all future postings are correct. Additionally, Central Finance staff reviewed all fiscal year 2015 transactions prior to the system fix and corrected all related posting errors.

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## **Summary Schedule of Prior Audit Findings and Questioned Costs For the Fiscal Year Ending June 30, 2013**

### **FINDING 2013-01 - Capitalization of Software – Significant Deficiency in Internal Control (Repeat Finding)**

**Condition:** The County does not have effective internal controls in place over the process to capture software development related expenditures specified by GASB 51.

**Recommendation:** It is recommended that management implement an effective process for properly identifying and capturing expenditures that meet the criteria for capitalization. This process should include consideration of the following criteria: identification at project inception of whether the project will have enough expenditures during the Application Development Stage to meet the County's capitalization threshold; use of a project or cost accounting system to identify costs that are to be capitalized; reconciliation between the potential project costs to be capitalized and actual expenditures as recorded in SAP; and a set of internal controls over the process to ensure accuracy and timeliness of information.

**Status of Finding:** Throughout fiscal year 2014 management made a number of changes to provide more effective internal controls over the process to capture software development related expenditures specified by GASB 51. We improved many of the processes over accounting for internally developed software including revisions to the internal control document over this process to make it clearer and more concise. Additionally, we performed a full reconciliation of hours worked as captured in the subsidiary system, Planview, to the enterprise system, SAP; added an independent review of the expenditures by a Finance Specialist Sr., revised Planview reports to capture additional GASB 51-related information, and enhanced the collaboration between IT, Budget and Finance. In fiscal year 2015, we are planning additional improvements including the development of a flowchart to document key controls, the addition of quarterly reviews of expenses and quarterly reconciliations between Planview and SAP, the development of written instructions for IT staff to assist in interpreting GASB 51 guidelines, identifying GASB 51-eligible projects, and identifying the stage of project tasks, as well as the addition of training for IT project-related staff. We will continue to refine our processes and involve central Finance in these steps.

### **FINDING 2013-02 - Cutoff - Significant Deficiency in Internal Control – Highway Planning and Construction**

**Condition:** During our testing of disbursements within the Highway Fund, we noted that expenditures related to FY 2012 were recorded in FY 2013 resulting in an under-reporting of construction in process on bridge project, under-reporting of accrued liabilities, and an under-reporting of receivables and revenues for amounts reimbursable from a grant partially financing the bridge project.

**Recommendation:** We recommend that the County improve processes for recording grant-funded projects that many straddle more than one accounting period to ensure that revenues, expenditures, and related accruals are recorded in the proper period.

**Status of Finding:** Transportation Finance has reviewed and revised the department's internal controls over recording expenditures and program revenues to ensure transactions are recorded timely and to the proper period. In addition, the department's internal control documents were revised to reflect the revisions in our controls. There was not any cutoff issues in DCS noted during the fiscal year 2014 audit.

**FINDING 2013-03 Unallowed Costs – Significant Deficiency in Internal Control and Instances of Noncompliance – Aging Cluster**

**Federal Programs:** Aging Cluster: Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers, CFDA 93.044, Special Programs for the Aging Title III, Part C Nutrition Services, CFDA 93.045, and Nutrition Services Incentive Program, CFDA 93.053

**Condition:** Personal expenses were charged to the program.

**Recommendation:** It is recommended that the County improve internal controls over general disbursements to ensure that unallowable expenses are not charged to the grant.

**Status of Finding:** The Department of County Human Services has enhanced its monitoring of general disbursements and implemented an additional reconciliation process. The additional reconciliation step ensures personal expenses (when part of approved travel) are posted to County General Fund. No instances of unallowable expenses were noted during the current year audit.

**FINDING 2013-04 Unallowed Costs – Significant Deficiency in Internal Control and Instances of Noncompliance – JAG Program Cluster**

**Federal Programs:** JAG Cluster: Edward Byrne Memorial Justice Assistance Grant Program, CFDA 16.738 and Recovery Act Edward Byrne Memorial Justice Assistance Grant Program/Grants to States and Territories, CFDA 16.803

**Condition:** Time and Attendance reports were missing supervisor review and approval.

**Recommendation:** It is recommended that the County address the internal controls to review Time and Attendance reports to ensure that the correct amount of payroll is charged to the program.

**Status of Finding:** The Department of Community Justice implemented an additional review process to ensure that all attendance reports have been properly reviewed and approved by those supervising employees charged to Federal awards. No instances of unapproved attendance reports were noted during the current year audit.

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