

# Jennifer McGuirk, Multnomah County Auditor



**Multnomah County  
Auditor's Office**

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Date: April 21, 2026

To: Jessica Vega Pederson, Multnomah County Chair  
Meghan Moyer, Multnomah County Commissioner, District 1  
Shannon Singleton, Multnomah County Commissioner, District 2  
Julia Brim-Edwards, Multnomah County Commissioner, District 3  
Vince Jones-Dixon, Multnomah County Commissioner, District 4

From: Jennifer McGuirk, Multnomah County Auditor 

RE: Request for advocacy to implement Auditor recommendations

In 2022, my office issued the investigatory report [Waste identified: Hotline tip identified Joint Office's approval of over \\$500,000 of unallowable expenses](#). That report was about the Joint Office's inadequate oversight of All Good Northwest, which became Sunstone Way in 2024.

All Good Northwest was essentially a county-funded startup. It did not have established funding or cash flow to support operations when it began contracting with the county. The county advanced \$377,456 to All Good Northwest for start-up costs. After my office reported on overbilling and unallowable charges by All Good Northwest, the county provided additional funding of \$1,099,557 to the organization. We noted in our investigatory report that as a new organization, with no funding besides the county's, All Good Northwest was in need of additional oversight and support from the Joint Office. It is now 2026, and Sunstone Way has announced it is ceasing operation.

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In my office's 2022 report and subsequently, we made recommendations to the Homeless Services Department that could have reduced the current service-disruption risk related to Sunstone Way. I want to be sure you are aware of these recommendations, and I ask you to advocate for implementing two in particular.

First, I will provide a recap of what my office found in 2022:

- Sole funding: The county provided all funding to start up All Good Northwest. In my opinion, this begged the question of why the county didn't provide the services directly.
- Overbilling (\$331,553): All Good Northwest duplicated payroll expenses across separate invoices, which Joint Office staff failed to identify due to inadequate internal controls.
- Unallowable indirect costs (\$193,675): The Joint Office incorrectly informed All Good Northwest that they could bill for indirect expenses despite the county already paying 100% of their administrative costs directly.
- Inadequate monitoring: Despite All Good Northwest being a brand-new start-up that was 100% reliant on county funding, the Joint Office failed to provide the essential level of fiscal monitoring required for a high-risk entity.
- Federal non-compliance: The Joint Office failed to notify Central Purchasing that federal funds were being used, bypassing a required risk assessment that likely would have identified All Good Northwest's cash flow vulnerabilities earlier.

Based on these findings, in our 2022 report my office made the following recommendations:

1. The county should not provide 100% funding to an organization, unless that organization goes through a risk assessment, no matter the funding source. For organizations the Joint Office may fund, the Joint Office should conduct the risk assessment and develop a plan

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to identify the appropriate level of support, funding, and oversight. The risk assessment and plan should be done in collaboration with the Chief Financial Officer's Fiscal Compliance unit.

2. Based on the risk assessment results, the Joint Office should ensure contract language is added to ensure appropriate monitoring occurs. The Joint Office should do this in collaboration with the Chief Financial Officer's Central Purchasing unit.
3. Detailed monitoring and review of invoices should occur on a regular basis by the Joint Office fiscal staff. The frequency of monitoring and review should be increased for all organizations identified as high-risk (which should include any new/start-up organizations) and be no less frequent than at least once every six months. The Joint Office's detailed review should include reviewing supporting documentation for amounts reported on invoices submitted. Examples can include requiring ledger details and comparing to invoice amounts reported and performing follow-up for specific details as deemed necessary.
4. To help address any potential role conflicts, the Joint Office fiscal staff responsible for invoice review and monitoring should be separate and have independence from the Joint Office program staff responsible for advocating for and supporting providers.

We made these recommendations to improve quality and accuracy in invoice processing, and to ensure accountability with regard to contract management. All of these recommendations should be implemented to support good contracting and monitoring. **I particularly want to draw your attention to recommendations 3 and 4. I ask you to advocate for their implementation, as they directly relate to the current service-disruption risk presented by the upcoming Sunstone Way closure.**

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Following my office's 2022 report, the Homeless Services Department should have conducted more thorough monitoring and invoice reviews of All Good Northwest, as we described in recommendation 3. But my office's understanding is that the Homeless Services Department did not increase the frequency of monitoring and review for Sunstone Way to the level we recommended for the high risk associated with this provider.

In 2023, we made a recommendation to the Homeless Services Department that was similar to recommendation 4 above, but worded it a bit differently. That recommendation was in our performance audit report titled [Joint Office of Homeless Services: Providers were frustrated with contract management and communication](#). Here is the recommendation:

Program Specialists/Program Specialist Seniors have a conflict of interest in being both the primary advocate for homeless service providers and also the ones who hold them accountable for meeting performance measures. **Joint Office management should modify the Program Specialist role so that this conflict of interest is eliminated.**  
(Bolding in original.)

The Homeless Services Department disagreed with this recommendation. In 2025 we followed up on the status of our audit recommendations to the department, including this one. In [the follow-up report](#), we noted the department's refusal to address the conflict of interest that is inherent in the Program Specialist role. This dual role allows staff too much latitude to change performance targets when providers underperform, potentially shielding them from necessary accountability. It also puts staff in an untenable position; it is practically impossible to be both a provider's advocate and the one who scrutinizes it and holds it to account.

I ask you to guide the Homeless Services Department to implement the recommendations I've flagged for you. Thank you.

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