



YEAR ENDED  
June 30,  
2022



AUDIT OF FEDERAL AWARDS PERFORMED  
IN ACCORDANCE WITH UNIFORM GUIDANCE  
FEDERAL GRANT  
PROGRAMS

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**WASHINGTON COUNTY, OREGON**

155 N First Avenue  
Hillsboro, Oregon 97124-3072

**FEDERAL GRANT PROGRAMS**

For the fiscal year ended June 30, 2022

Prepared by:

Washington County Finance Division

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**WASHINGTON COUNTY, OREGON**  
**FEDERAL GRANT PROGRAMS**

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**REPORT 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**

**INDEPENDENT AUDITOR'S REPORT**

Board of County Commissioners  
Washington County, Oregon  
Hillsboro, Oregon

We have audited, in accordance with 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washington County, Oregon, (the County) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 28, 2023. Our report includes a reference to other auditors who audited the financial statements of Clean Water Services, a discretely presented component unit of the County, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on 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 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying *Schedule of Findings and Questions Costs as Findings 2022-001 and 2022-002*, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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. We consider the deficiency described in the accompanying *Schedule of Findings and Questions Costs as Finding 2022-002* to be a material weakness.



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**REPORT 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 (Continued)**

**INDEPENDENT AUDITOR'S REPORT (Continued)**

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. We consider the deficiency described in the accompanying *Schedule of Findings and Questions Costs* as Finding 2022-001 to be a significant deficiency.

**Report on 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 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*.

**County's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Questioned Costs*. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**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 results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Talbot, Kowoloff & Warwick, LLP*

Portland, Oregon  
April 28, 2023





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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND  
REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

**INDEPENDENT AUDITOR'S REPORT**

Board of County Commissioners  
Washington County, Oregon  
Hillsboro, Oregon

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

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

We have audited Washington County, Oregon's (the County) compliance with the types of compliance requirements identified as subject to audit in the *OMB 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, 2022. 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.

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, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.



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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND  
REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE (Continued)**

**INDEPENDENT AUDITOR'S REPORT (Continued)**

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND  
REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE (Continued)**

**INDEPENDENT AUDITOR'S REPORT (Continued)**

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statement, which contained an unmodified opinion on those financial statements. We did not audit the financial statements of Clean Water Services (CWS), a discretely presented component unit of the County, as described in our report on the County's financial statements. CWS statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for CWS is based solely on the report of other auditors. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Talbot, Kowol & Warwick, LLP*

Portland, Oregon  
April 28, 2023

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**WASHINGTON COUNTY, OREGON**  
**Schedule of Expenditures of Federal Awards**

**Fiscal Year Ended June 30, 2022**

Federal Grantor Pass-Through Grantor Program Title/Cluster	Assistance Listing	Pass-Through Number	Expenditures Year Ended June 30, 2022	Amount Provided to Subrecipients
<b>U. S. DEPARTMENT OF AGRICULTURE:</b>				
Passed through Oregon Department of Education				
School Breakfast Program	10.553	3408004	\$ 6,350	—
National School Lunch Program	10.555	3408004	11,575	—
<i>Total Child Nutrition Cluster (10.553 &amp; 10.555)</i>			<u>17,925</u>	<u>—</u>
Passed through Oregon Health Authority				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	169531	1,914,482	—
Special Supplemental Nutrition Program for Women, Infants, and Children - PEER Counseling	10.557	169531	151,153	—
<i>Total AL 10.557</i>			<u>2,065,635</u>	<u>—</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<u><b>2,083,560</b></u>	<u><b>—</b></u>
<b>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>				
Passed through the City of Hillsboro				
CDBG Housing Rehabilitation Program	14.218	3283/1904	4,147	—
CDBG Housing Rehabilitation Program	14.218	2102	218,662	—
Community Development Block Grants/Entitlement Grants 16	14.218	DIRECT	188,322	170,000
Community Development Block Grants/Entitlement Grants 17	14.218	DIRECT	436,888	408,323
Community Development Block Grants/Entitlement Grants 18	14.218	DIRECT	110,905	110,905
Community Development Block Grants/Entitlement Grants 19	14.218	DIRECT	5,029	5,029
Community Development Block Grants/Entitlement Grants 20	14.218	DIRECT	556,234	546,025
Community Development Block Grants/Entitlement Grants 21	14.218	DIRECT	1,137,911	384,921
COVID-19 Community Development Block Grants CARES Act Grant	14.218	DIRECT	502,903	473,642
<i>Total CDBG-Entitlement Grants Cluster (14.218)</i>			<u>3,161,001</u>	<u>2,098,845</u>
Emergency Solutions Grants Program 20	14.231	DIRECT	26,044	26,044
Emergency Solutions Grants Program 21	14.231	DIRECT	190,064	175,810
COVID-19 Emergency Solutions Grants CARES Act Grant	14.231	DIRECT	1,983,967	1,955,632
<i>Total AL 14.231</i>			<u>2,200,075</u>	<u>2,157,486</u>
COVID-19 Home Investment Partnerships Program - American Rescue Plan Act (ARPA) Grant	14.239	DIRECT	47,125	—
Home Investment Partnerships Program 17	14.239	DIRECT	35,530	—
Home Investment Partnerships Program 18	14.239	DIRECT	42,437	—
Home Investment Partnerships Program 21	14.239	DIRECT	84,176	84,176
Home Investment Partnerships - FY 21-22 Beginning Loan Balances	14.239	DIRECT	32,784,588	—
<i>Total AL 14.239</i>			<u>32,993,856</u>	<u>84,176</u>
Continuum of Care Program	14.267	DIRECT	3,579,318	416,308
Public and Indian Housing	14.850	DIRECT	1,001,381	—
Section 8 Housing Choice Vouchers	14.871	DIRECT	33,786,000	—
COVID-19 Section 8 Housing Choice Vouchers CARES Act Grant	14.HCC	DIRECT	752,163	—
COVID-19 Section 8 Housing Choice Vouchers CARES Act Grant	14.EHV	DIRECT	808,116	—
Mainstream Voucher Program	14.879	DIRECT	2,221,383	—
COVID-19 Mainstream Voucher Program CARES Act Grant	14.MSC	DIRECT	9,623	—
<i>Total Housing Voucher Cluster (14.871 &amp; 14.879)</i>			<u>37,577,285</u>	<u>—</u>
Public Housing Capital Fund	14.872	DIRECT	297,687	—
Family Self-Sufficiency Program	14.896	DIRECT	79,772	—
<b>TOTAL U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<u><b>80,890,375</b></u>	<u><b>4,756,815</b></u>
<b>U. S. DEPARTMENT OF THE INTERIOR:</b>				
Recreation Resources Management	15.524	DIRECT	70,000	—
<b>TOTAL U. S. DEPARTMENT OF THE INTERIOR</b>			<u><b>70,000</b></u>	<u><b>—</b></u>
<b>U. S. DEPARTMENT OF JUSTICE:</b>				
Passed through the Oregon Department of Corrections				
COVID-19 Coronavirus Emergency Supplemental Funding Program for Housing Non-Covid Positive Clients	16.034	CESF-20-25/2020-VD-BX-0540	6,230	—
Passed through the Oregon Criminal Justice Commission				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	CESF-20-16	3,025	—
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	DIRECT	37,644	—
<i>Total AL 16.034</i>			<u>46,899</u>	<u>—</u>
Prosecuting Cold Cases Using DNA	16.036	DIRECT	126,311	—
Matthew Shepard and James Byrd, Jr Hate Crimes Education, Investigation and Prosecution Program	16.040	DIRECT	934	—
Passed through the Oregon Department of Justice				
Crime Victim Assistance - 19-21 VOCA	16.575	VOCA/CFA-2019-WaCo DAVAP-00067	281,148	—
Crime Victim Assistance - 19-21 VOCA Elder Safe	16.575	VOCA/CFA-2019-WSCO-00066	10,966	—
Crime Victim Assistance - 21-23 VOCA Non-Competitive Grant	16.575	VOCA/CFA-2021-WashingtonCo.DAVAP-00155	454,112	—
Crime Victim Assistance - 2021 VOCA Non-Competitive Grant	16.575	VOCA/CFA-2021-WSCO-00153	43,065	—
<i>Total AL 16.575</i>			<u>789,291</u>	<u>—</u>
Drug Court Discretionary Grant Program - Veteran's Treatment Court	16.585	DIRECT	114,849	—
Drug Court Discretionary Grant Program - Juvenile Drug Treatment Court 18-21	16.585	DIRECT	63,247	—
Drug Court Discretionary Grant Program - Juvenile Drug Treatment Court 21-25	16.585	DIRECT	86,020	—
<i>Total AL 16.585</i>			<u>264,116</u>	<u>—</u>
National Sexual Assault Kit Initiative	16.833	DIRECT	145,942	—
Equitable Sharing Program	16.922	DIRECT	37,199	—
<b>TOTAL U. S. DEPARTMENT OF JUSTICE</b>			<u><b>1,410,692</b></u>	<u><b>—</b></u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

WASHINGTON COUNTY, OREGON  
Schedule of Expenditures of Federal Awards (continued)

Fiscal Year Ended June 30, 2022

Federal Grantor Pass-Through Grantor Program Title/Cluster	Assistance Listing	Pass-Through Number	Expenditures Year Ended June 30, 2022	Amount Provided to Subrecipients
<b>U. S. DEPARTMENT OF TRANSPORTATION:</b>				
Passed through Oregon Department of Transportation Highway Planning and Construction (Basalt Creek Ext: Gramms Ferry Rd/Boones Ferry Rd) <i>Total Highway Planning and Construction Cluster (20.205)</i>	20.205	31033	50,112 <u>50,112</u>	— <u>—</u>
Passed through Ride Connection, Inc. Federal Transit-Formula Grants - Ride Share <i>Total Federal Transit Cluster (20.507)</i>	20.507	METRO 934637	7,900 <u>7,900</u>	— <u>—</u>
Passed through Oregon Department of Transportation State and Community Highway Safety - 20-21 Speed Enforcement Grant State and Community Highway Safety - 21-22 Speed Enforcement Grant <i>Total AL 20.600</i>	20.600 20.600	69A37520300004020OR0 69A37521300004020OR0	5,794 <u>8,561</u> 14,355	— <u>—</u> —
Passed through Oregon Department of Transportation National Priority Safety Programs - 20-21 Safety Belt Overtime Enforcement Grant National Priority Safety Programs - 21-22 Safety Belt Overtime Enforcement Grant	20.616 20.616	69A3752030000405BORH 69A3752130000405BORH	1,258 <u>11,486</u>	— <u>—</u>
Passed through Oregon Impact National Priority Safety Programs -20-21 Distracted Driving Enforcement Campaign National Priority Safety Programs -20-21 Distracted Driving Enforcement Campaign National Priority Safety Programs -21-22 Pedestrian Safety Equipment <i>Total AL 20.616</i> <i>Total Highway Safety Cluster (20.600 &amp; 20.616)</i>	20.616 20.616 20.616	69A3751930000405eORC 69A3752030000405eORC 69A3752030000405hORO	9,932 <u>7,312</u> <u>3,481</u> <u>33,469</u> <u>47,824</u>	— <u>—</u> <u>—</u> <u>—</u> <u>—</u>
Passed through Oregon Impact Minimum Penalties for Repeat Offenders for Driving While Intoxicated - 20-21 DUUI Overtime Enforcement Grant Minimum Penalties for Repeat Offenders for Driving While Intoxicated - 21-22 DUUI Overtime Enforcement Grant <i>Total AL 20.608</i>	20.608 20.608	69A3751830000164OR1 69A3752030000405DORM	7,606 <u>18,983</u> <u>26,589</u>	— <u>—</u> <u>—</u>
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			<u><b>132,425</b></u>	<u><b>—</b></u>
<b>U. S. DEPARTMENT OF TREASURY:</b>				
Equitable Sharing Program	21.016	DIRECT	59,355	—
Passed through Oregon Department of Administrative Services COVID-19 Coronavirus Relief Fund - DAS Equity Plan Grant COVID-19 Coronavirus Relief Fund - CARES <i>Total AL 21.019</i>	21.019 21.019	2634/SLT0038 SLT0208	1,696,884 <u>18,791</u> <u>1,715,675</u>	— <u>—</u> <u>—</u>
COVID-19 Emergency Rental Assistance Program 20-22 COVID-19 Emergency Rental Assistance Program 21-25 <i>Total AL 21.023</i>	21.023 21.023	DIRECT DIRECT	16,747,806 <u>7,262,518</u> <u>24,010,324</u>	16,244,930 <u>6,733,032</u> <u>22,977,962</u>
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - 21-24 ARPA SLFRF	21.027	DIRECT	19,772,700	720,091
<b>TOTAL U.S. DEPARTMENT OF TREASURY</b>			<u><b>45,558,054</b></u>	<u><b>23,698,053</b></u>
<b>GENERAL SERVICES ADMINISTRATION:</b>				
Passed through Oregon Department of Administrative Services Donation of Federal Surplus Personal Property	39.003	21-22 OR Surplus Property	3,821	—
<b>TOTAL GENERAL SERVICES ADMINISTRATION</b>			<u><b>3,821</b></u>	<u><b>—</b></u>
<b>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</b>				
Passed through State Library of Oregon COVID-19 Grants to States - 2021 Library Services and Technology Act - ARPA	45.310	State Library Letter	3,836	—
<b>TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES</b>			<u><b>3,836</b></u>	<u><b>—</b></u>
<b>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>				
Passed through the National Association of County and City Health Officials Medical Reserve Corps Small Grant Program	93.008	MRCSG101005-04-00/HITEP150026-01-00	3,180	—
Passed through Oregon Department of Human Services Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	171495	8,497	—
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	171495	41,535	—
National Family Caregiver Support, Title III, Part E	93.052	171495	334,284	—
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers COVID-19 CARES Title III COVID-19 American Rescue Plan III-B COVID-19 American Rescue Plan III-E COVID-19 Expanding Access to Vaccine Special Programs for the Aging, Title III, Part C, Nutrition Services - Congregate Meals Special Programs for the Aging, Title III, Part C, Nutrition Services - Home Delivered Meals COVID-19 HDC5 CAA-III C2 COVID-19 Family First Coronavirus Response Act Funding Nutrition Services Incentive Program <i>Total Aging Cluster (93.044, 93.045, &amp; 93.053)</i>	93.044 93.044 93.044 93.044 93.044 93.045 93.045 93.045 93.045 93.045 93.053	171495 171495/CARES Act 171495/CARES Act 171495/CARES Act 171495/CARES Act 171495 171495 171495/CARES Act 171495/CARES Act 171495	779,432 <u>257,186</u> <u>12,125</u> <u>24,785</u> <u>6,087</u> <u>29,747</u> <u>495,110</u> <u>247,933</u> <u>17,723</u> <u>107,558</u> <u>1,977,686</u>	— <u>—</u> <u>—</u> <u>—</u> <u>—</u> <u>—</u> <u>—</u> <u>—</u> <u>—</u> <u>—</u> <u>—</u>
Passed through Oregon Dept of Consumer and Business Services - SHIBA Program Special Programs for the Aging, TitleIV, Title II, Discretionary Projects - Senior Medicare Patrol	93.048	45G000245	11,625	—

See accompanying notes to Schedule of Expenditures of Federal Awards.

WASHINGTON COUNTY, OREGON  
Schedule of Expenditures of Federal Awards (continued)  
Fiscal Year Ended June 30, 2022

Federal Grantor Pass-Through Grantor Program Title/Cluster	Assistance Listing	Pass-Through Number	Expenditures Year Ended June 30, 2022	Amount Provided to Subrecipients
<b>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued):</b>				
Passed through Oregon Health Authority				
Public Health Emergency Preparedness - PE 02 PH Emergency Preparedness/City Readiness	93.069	169531	271,255	—
Public Health Emergency Preparedness - PE 12 PH Emergency Preparedness Program	93.069	169531/NU90TP922036	269,601	—
<i>Total AL 93.069</i>			<u>540,856</u>	<u>—</u>
Passed through Oregon Dept of Consumer and Business Services - SHIBA Program				
Medicare Enrollment Assistance Program - MIPPA	93.071	45G000237/HHS-2020-CIP-MI-20-001	6,675	—
Passed through Oregon Health Authority				
COVID-19 Community Programs to Improve Minority Health Grant Program	93.137	1CPMP1211262-01-00	695,211	—
Passed through Oregon Health Authority				
COVID-19 Immunization Cooperative Agreements - PE 01-10 Immunization and Vaccines for Children OIP-CARES	93.268	169531/NH23IP922626	2,737,657	—
Immunization Cooperative Agreements - PE 43-01 Immunization Services	93.268	169531/NH23IP922626	140,714	—
<i>Total AL 93.268</i>			<u>2,878,371</u>	<u>—</u>
Passed through Oregon Health Authority				
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases - PE 01-09 Active Monitoring	93.323	169531/NU50CK000541	575,932	—
Passed through Oregon Department of Consumer and Business Services - SHIBA Program				
State Health Insurance Assistance Program - 20-23 SHIBA	93.324	170683/45G000230	22,000	—
Passed through Oregon Health Authority				
COVID-19 Public Health Emergency Response - PE 44-03 COAG Funds	93.354	169531	9,436	8,790
COVID-19 Public Health Emergency Response - ARPA PE 51-03 WF Funding	93.354	169531/NU90TP922194	88,074	—
<i>Total AL 93.354</i>			<u>97,510</u>	<u>8,790</u>
Passed through Oregon Department of Justice				
Child Support Enforcement	93.563	19308/04ORC SES	2,047,714	—
Passed through Oregon Department of Human Services				
Foster Care Title IV-E	93.658	145711/1601ORFOST	176,622	—
Passed through Oregon Health Authority				
COVID-19 National Bioterrorism Hospital Preparedness Program - PE 72 HPP and HPP COVID SUPP	93.889	169531/U3REP190573	119,310	—
HIV Prevention Activities Health Department Based	93.940	169531/NU62PS24543	153,978	95,567
Block Grants for Community Mental Health Services - MH20 Non-Residential MH for Adults General	93.958	173151	99,465	99,465
Block Grants for Community Mental Health Services - MH 25 Community Crisis Svcs for Adults and Children	93.958	173151	210,498	210,498
Block Grants for Community Mental Health Services - MH 26A Early Assessment and Support Alliance	93.958	173151	99,465	99,465
<i>Total AL 93.958</i>			<u>409,428</u>	<u>409,428</u>
Block Grants for Prevention and Treatment of Substance Abuse AD61	93.959	173151	50,914	—
Block Grants for Prevention and Treatment of Substance Abuse AD64	93.959	173151	152,338	—
Block Grants for Prevention and Treatment of Substance Abuse AD66	93.959	173151	382,333	—
Block Grants for Prevention and Treatment of Substance Abuse AD67	93.959	173151	71,708	—
Block Grants for Prevention and Treatment of Substance Abuse AD70	93.959	154960/2B08T1010043-18	281,173	—
<i>Total AL 93.959</i>			<u>938,466</u>	<u>—</u>
Passed through Oregon Health Authority				
Maternal and Child Health Services Block Grant to the States - PE 42 MCAH Title V Flex Funds	93.994	169531/B0440157	199,875	—
Passed through Oregon Health & Science University - CDRC				
Maternal and Child Health Services Block Grant to the States - CaCoon Project	93.994	B04MC31511	83,443	—
<i>Total AL 93.994</i>			<u>283,318</u>	<u>—</u>
<b>TOTAL U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b><u>11,322,198</u></b>	<b><u>513,785</u></b>
<b>U.S. EXECUTIVE OFFICE OF THE PRESIDENT:</b>				
Passed through the Oregon Office of High Intensity Drug Trafficking Program				
High Intensity Drug Trafficking Areas Program - WIN-2021	95.001	G21OR0003A	75,745	21,652
<b>TOTAL U.S. EXECUTIVE OFFICE OF THE PRESIDENT</b>			<b><u>75,745</u></b>	<b><u>21,652</u></b>
<b>U. S. DEPARTMENT OF HOMELAND SECURITY:</b>				
Passed through Oregon Military Department of Emergency Management				
Emergency Management Performance Grants 21-534	97.042	EMS-2021-EP-00002-501	321,638	—
COVID-19 BRIC: Building Resilient Infrastructure and Communities - Natural Hazard Mitigation Plan Update	97.047	PDMC-PL-10-OR-2019-002	6,894	—
Homeland Security Grant Program - 21-23 SHSP National Preparedness System (UAS for CBRNE)	97.067	21-247/EMW-2020-SS-00073	15,595	—
Homeland Security Grant Program - 21-23 SHSP National Preparedness System (UAS)	97.067	21-268/EMW-2020-SS-00073	47,805	—
Passed through City of Portland, Bureau of Emergency Management (PBEM)				
Homeland Security Grant Program - UASI 18-170	97.067	EMW-2018-SS-00072-501	41,527	41,527
Homeland Security Grant Program - UASI 19-170	97.067	DHS-18-GPD-067-00-01	68,242	68,242
<i>Total AL 97.067</i>			<u>173,169</u>	<u>109,769</u>
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>			<b><u>501,701</u></b>	<b><u>109,769</u></b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b><u>\$ 142,052,407</u></b>	<b><u>29,100,074</u></b>

See accompanying notes to Schedule of Expenditures of Federal Awards.

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# WASHINGTON COUNTY, OREGON

## Notes to Schedule of Expenditures of Federal Awards

Fiscal Year Ended June 30, 2022

### General

The accompanying Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all Federal assistance programs of Washington County, Oregon (County) and its component units. The County's reporting entity is defined in Note 1 to the County's basic financial statements. Financial assistance received directly from Federal agencies as well as financial assistance passed through others is included on the Schedule.

### Basis of Presentation

The Schedule includes the federal award activity of the County under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

### Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The County has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

### HOME Program

The County's Office of Community Development makes loans to developers for the construction of low-income housing units. The seed money for these loans used to establish the program initially was provided through Federal funds under the HOME Program. The program's responsibility over these loans is to ensure that a specified percentage of the total rental units are rented to low-income individuals.

<u>Program</u>	<u>Federal Assistance Listing Number</u>	<u>Expenditures Year Ended June 30, 2022</u>	<u>Loans Outstanding June 30, 2022</u>
HOME	14.239	\$ 209,268	32,619,903

### Non-cash Federal Financial Assistance

Non-cash Federal Assistance includes food donations provided by the U.S. Department of Agriculture for the National School Lunch Program.

<u>Description</u>	<u>Federal Assistance Listing Number</u>	<u>Expenditures Year Ended June 30, 2022</u>
Food Donation	10.553	\$ 6,350
Food Donation	10.555	11,575

**WASHINGTON COUNTY, OREGON**

Notes to Schedule of Expenditures of Federal Awards

Fiscal Year Ended June 30, 2022

**Section 8 Housing Choice Vouchers Program (ALN 14.871)**

The County interprets guidance such that for the Section 8 Housing Choice Vouchers Program, recognition on the Schedule of Expenditures of Federal Awards should reflect current year program revenue, specifically Section 8 Voucher dollars received, net of year-end adjustments.

WASHINGTON COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

**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
Significant deficiency(ies) identified?	Yes
Noncompliance material to financial statements noted?	No

***Federal Awards***

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	No
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	No

Identification of major programs:

AL No 14.871, 14.879	Housing Voucher Cluster
AL No. 21.023	COVID-19 Emergency Rental Assistance Program
AL No. 21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
AL No. 93.268	COVID-19 Immunization Cooperative Agreements

Dollar threshold used to distinguish between type A and type B programs	\$3,000,000
Auditee qualified as low-risk auditee?	Yes

WASHINGTON COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

YEAR ENDED JUNE 30, 2022

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**Finding 2022-001**

*Criteria:* The Housing Authority of Washington County (the Authority) has the responsibility for establishing and maintaining effective internal controls over financial reporting.

*Condition:* A significant deficiency in internal controls over financial reporting related to excluding a sub fund of the Authority's enterprise reporting was identified during audit procedures over cash.

*Cause:* The cause appears to be related to a misunderstanding related to the creation of additional discretely presented component units related to this fund.

*Effect or potential effect:* An understatement of assets and change in net position of approximately \$542,000 was identified.

*Recommendation:* The Authority should implement policies and procedures to ensure that all sub funds are appropriately included in the trial balance and financial statements as presented for audit.

*Views of responsible officials:* The Authority understands and concurs with the finding and recommendation.

**Finding 2022-002**

*Criteria:* The County has the responsibility for establishing and maintaining effective internal controls over financial reporting.

*Condition:* Lack of sufficient and timely review, including maintaining evidence of review, occurring over financial reporting, specifically in the following areas:

- Final trial balance presented for audit on January 6, 2023 (untimely reporting)
- Untimeliness of bank reconciliation reviews (some over 15 months after month end)
- Ineffective ODOT revenue reconciliation review (resulted in \$3.2m journal entry)
- Fiscal year 2021 expenses recognized in fiscal year 2022 (cutoff issues)
- Recognizing accelerated depreciation expense
- Lack of evidence of departmental review of capitalization of capital assets
- Failure to verify fraudulent vendor bank account change (no loss to County)
- Untimely review of certain pay variance reports
- Lack of evidence of review and approval of retro time pay reports
- Lack of evidence of grant revenue reconciliation review
- Absent departmental review of cash deposit reports prior to submission to Finance
- Client provided journal entries being posted to the trial balance during the audit

*Cause:* The cause appears to be related to insufficient and untimely review of reconciliations due to resource constraints and/or ineffective training.

*Effect or potential effect:* Lack of timely and effective review increases the potential for misstatements to not be identified in a timely manner. An adjustment was posted to the trial balance as a result of audit procedures. The County's audit is being issued ten months after fiscal year end.

WASHINGTON COUNTY, OREGON

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (Continued)

YEAR ENDED JUNE 30, 2022

*Recommendation:* The County should provide training and resources to enable effective and timely review and emphasize the importance of a strong control environment or provide additional resources to help ensure an effective and timely review over financial reporting.

*Views of responsible officials:* The County understands and concurs with the finding and recommendation.

**SECTION III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

No matters were reported.

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WASHINGTON COUNTY, OREGON

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2022

**Finding 2021-001**

Condition: Per the 2021 Office of Management and Budget (OMB) Compliance Supplement, part 4, requirement L., Reporting, the information formerly included in Section 3 of the HUD annual 60002 report is required to be submitted annually in HUD's most current automated system. TKW noted that this Section 3 information was not submitted in any report to HUD. Additionally, the Cash on Hand quarterly reports (fka SF-425 reports) were not reviewed before submission.

Internal controls over compliance and compliance with requirement L. related to reporting in the 2021 OMB *Compliance Supplement* was not implemented and operating as designed.

Corrective Action  
Taken:

The procedure for completing the cash on hand quarterly reports was updated to require Program Manager review and approval prior to submission. Review and approval are annotated on the documents used to prepare the report each quarter.

The Office of Community Development utilized the new HUD guidance to create policies, procedures, contractual language, reporting forms and set deadlines in order to address the new Section 3 guidance and ensures the reporting function is embedded in office procedures. The above work was completed by the deadline of May 31, 2022.

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