

Audit of Federal Awards Performed in  
Accordance with Uniform Guidance



# Federal Grant Programs



YEAR ENDED  
JUNE 30  
2021



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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, 2021

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, each major fund, and the aggregate remaining fund information of Washington County, Oregon, (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 25, 2022. 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.

**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.



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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)**

**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*.

**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 & Wawwiec, LLP*

Portland, Oregon  
February 25, 2022





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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**

We have audited Washington County, Oregon's (the County) compliance with the types of compliance requirements described 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, 2021. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 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). Those standards and the Uniform Guidance 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, 2021.



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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)**

**OTHER MATTERS**

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001. Our opinion on each major federal program is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of 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 the Uniform Guidance, 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 did identify a certain deficiency in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001 that we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**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)**

**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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statement. We issued our report thereon dated February 25, 2022, which contained unmodified opinions on those financial statements. We did not audit 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. Those 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 Clean Water Services, is based solely on the report of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic 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 basic 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 basic 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 basic financial statements or to the basic 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, Kowoloff & Warwick, LLP*

Portland, Oregon  
February 25, 2022

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WASHINGTON COUNTY, OREGON  
Schedule of Expenditures of Federal Awards

Fiscal Year Ended June 30, 2021

Federal Grantor Pass-Through Grantor Program Title/Cluster	Assistance Listing	Pass-Through Number	Expenditures Year Ended June 30, 2021	Amount Provided to Subrecipients
<b>U. S. DEPARTMENT OF AGRICULTURE:</b>				
Passed through Oregon Department of Education				
School Breakfast Program	10.553	3408004	\$ 4,974	—
National School Lunch Program	10.555	3408004	8,115	—
<i>Total Child Nutrition Cluster (10.553 &amp; 10.555)</i>			<u>13,089</u>	<u>—</u>
Passed through Oregon Health Authority				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	159831	1,779,379	—
Special Supplemental Nutrition Program for Women, Infants, and Children - PEER Counseling	10.557	159831	143,918	—
<i>Total AL 10.557</i>			<u>1,923,297</u>	<u>—</u>
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			<b><u>1,936,386</u></b>	<b><u>—</u></b>
<b>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>				
Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Housing Projects	14.155	DIRECT	1,934,373	—
Passed through the City of Hillsboro				
CDBG Housing Rehabilitation Program	14.218	3283/1904	222,989	182,783
Community Development Block Grants/Entitlement Grants 16	14.218	DIRECT	44,498	23,505
Community Development Block Grants/Entitlement Grants 17	14.218	DIRECT	35,235	35,235
Community Development Block Grants/Entitlement Grants 18	14.218	DIRECT	2,284	2,284
Community Development Block Grants/Entitlement Grants 19	14.218	DIRECT	141,086	141,086
Community Development Block Grants/Entitlement Grants 20	14.218	DIRECT	1,114,522	382,425
COVID-19 Community Development Block Grants CARES Act Grant	14.218	DIRECT	1,550,169	1,114,184
<i>Total CDBG-Entitlement Grants Cluster (14.218)</i>			<u>3,110,783</u>	<u>1,881,502</u>
Emergency Solutions Grants Program 20	14.231	DIRECT	166,145	154,523
COVID-19 Emergency Solutions Grants CARES Act Grant	14.231	DIRECT	655,786	81,933
<i>Total AL 14.231</i>			<u>821,931</u>	<u>236,456</u>
Home Investment Partnerships Program 17	14.239	DIRECT	294,887	294,887
Home Investment Partnerships Program 18	14.239	DIRECT	279,928	279,928
Home Investment Partnerships Program 20	14.239	DIRECT	429,674	429,674
Home Investment Partnerships - FY 20-21 Beginning Loan Balances	14.239	DIRECT	30,663,666	—
<i>Total AL 14.239</i>			<u>31,668,155</u>	<u>1,004,489</u>
Continuum of Care Program	14.267	DIRECT	3,513,247	460,325
Public and Indian Housing	14.850	DIRECT	893,172	—
COVID-19 Public and Indian Housing CARES Act Grant	14.PHC	DIRECT	117,484	—
Section 8 Housing Choice Vouchers	14.871	DIRECT	28,790,000	—
COVID-19 Section 8 Housing Choice Vouchers CARES Act Grant	14.HCC	DIRECT	1,993,216	—
Mainstream Voucher Program	14.879	DIRECT	745,323	—
COVID-19 Mainstream Voucher Program CARES Act Grant	14.MSC	DIRECT	1,200	—
<i>Total Housing Voucher Cluster (14.871 &amp; 14.879)</i>			<u>31,529,739</u>	<u>—</u>
Public Housing Capital Fund	14.872	DIRECT	519,981	—
Family Self-Sufficiency Program	14.896	DIRECT	81,528	—
<b>TOTAL U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b><u>74,190,393</u></b>	<b><u>3,582,772</u></b>
<b>U. S. DEPARTMENT OF THE INTERIOR:</b>				
Washington County Parks Operations and Maintenance Grant	15.524	DIRECT	70,000	—
Passed through Columbia Land Trust				
Wapato Lake National Wildlife Refuge	15.623	F19AP00307	145,407	—
<b>TOTAL U. S. DEPARTMENT OF THE INTERIOR</b>			<b><u>215,407</u></b>	<b><u>—</u></b>
<b>U. S. DEPARTMENT OF JUSTICE:</b>				
Passed through the Oregon Department of Corrections				
COVID-19 Coronavirus Emergency Supplemental Funding for Housing Non-Covid Positive Clients	16.034	CESF-20-25/2020-VD-BX-0540	4,654	—
Passed through the Oregon Criminal Justice Commission				
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	CESF-20-16	9,245	—
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	DIRECT	46,012	—
<i>Total AL 16.034</i>			<u>59,911</u>	<u>—</u>
Prosecuting Cold Cases Using DNA - FY20 Cold Case Project	16.036	DIRECT	34,153	—
Passed through the Oregon Department of Justice				
Crime Victim Assistance - 19-21	16.575	VOCA/CFA-2019-WA CO DAVAP-00067	975,917	—
Crime Victim Assistance - 18-19 Support Services & Training	16.575	VOCA-SST-2018-WACO DAVAP-00069	12,986	—
Crime Victim Assistance - Basic Grant, Elder Safe	16.575	VOCA/CFA-2019-WCSO-00066	57,157	—
<i>Total AL 16.575</i>			<u>1,046,060</u>	<u>—</u>
Drug Court Discretionary Grant Program - Veteran's Treatment Court	16.585	DIRECT	112,272	—
Drug Court Discretionary Grant Program - Juvenile Drug Treatment Court	16.585	DIRECT	148,680	—
<i>Total AL 16.585</i>			<u>260,952</u>	<u>—</u>
Edward Byrne Memorial Justice Assistance Grant Program - 19-23 Mobile Field Force Equipment Project	16.738	DIRECT	37,333	—
National Sexual Assault Kit Initiative (2018-AK-BX-0032)	16.833	DIRECT	216,980	—
Equitable Sharing Program	16.922	DIRECT	29,947	—
<b>TOTAL U. S. DEPARTMENT OF JUSTICE</b>			<b><u>1,685,336</u></b>	<b><u>—</u></b>

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, 2021

Federal Grantor Pass-Through Grantor Program Title/Cluster	Assistance Listing	Pass-Through Number	Expenditures Year Ended June 30, 2021	Amount Provided to Subrecipients
<b>U. S. DEPARTMENT OF TRANSPORTATION:</b>				
Passed through Oregon Department of Transportation				
Highway Planning and Construction (Durham Rd-Upper Boones Ferry Rd)	20.205	30250	39,298	—
Highway Planning and Construction (Basalt Creek Ext: Grahams Ferry Rd/Boones Ferry Rd)	20.205	31033	60,500	—
Highway Planning and Construction (Curve Warning & Conflict Markings)	20.205	32897	6,396	—
Highway Planning and Construction (Mt Richmond Road: Tualatin River Bridge #671265)	20.205	32943	849,397	—
<i>Total Highway Planning and Construction Cluster (20.205)</i>			955,591	—
Passed through Oregon Department of Transportation				
State and Community Highway Safety - 19-20 Speed Enforcement Grant	20.600	69A37519300004020OR0	9,136	—
State and Community Highway Safety - 20-21 Speed Enforcement Grant	20.600	69A37520300004020OR0	4,245	—
<i>Total AL 20.600</i>			13,381	—
Passed through Oregon Department of Transportation				
National Priority Safety Programs - Safety Belt Overtime Enforcement Grant	20.616	69A3751930000405BORH	10,867	—
National Priority Safety Programs - Safety Belt Overtime Enforcement Grant	20.616	69A3752030000405BORH	5,028	—
Passed through Oregon Impact				
National Priority Safety Programs - 19-20 Distracted Driving Enforcement Grant	20.616	69A375130000405eORC	9,850	—
National Priority Safety Programs - 20-21 Distracted Driving Enforcement Grant	20.616	69A375130000405eORC	6,527	—
<i>Total AL 20.616</i>			32,272	—
<i>Total Highway Safety Cluster (20.600 &amp; 20.616)</i>			45,653	—
Passed through Oregon Impact				
19-20 DUII Overtime Enforcement Grant	20.608	69A3751830000164OR1	11,593	—
20-21 DUII Overtime Enforcement Grant	20.608	69A3751830000164OR1	10,219	—
<i>Total AL 20.608</i>			21,812	—
<b>TOTAL U.S. DEPARTMENT OF TRANSPORTATION</b>			<b>1,023,056</b>	<b>—</b>
<b>U. S. DEPARTMENT OF TREASURY:</b>				
Equitable Sharing Program				
	21.016	DIRECT	27,422	—
COVID-19 Coronavirus Relief Fund				
Passed through Oregon Department of Administrative Services	21.019	DIRECT	84,758,945	47,427,933
COVID-19 Coronavirus Relief Fund - Business Assistance Grant	21.019	2502	5,777,452	4,269,761
COVID-19 Coronavirus Relief Fund	21.019	SLT0038	1,501,731	—
COVID-19 Coronavirus Relief Fund - MHS 20	21.019	159182	901,401	—
COVID-19 Coronavirus Relief Fund - PE 01-04 COVID-19 Response	21.019	159831	451,810	—
<i>Total AL 21.019</i>			93,391,339	51,697,694
Emergency Rental Assistance Program				
	21.023	DIRECT	700,935	—
American Rescue Plan Act: State and Local Fiscal Recovery Fund				
	21.027	DIRECT	749,970	—
<b>TOTAL U.S. DEPARTMENT OF TREASURY</b>			<b>94,869,666</b>	<b>51,697,694</b>
<b>GENERAL SERVICES ADMINISTRATION:</b>				
Passed through Oregon Department of Administrative Services				
Donation of Federal Surplus Personal Property	39.003	21-247/21-336	4,612	—
<b>TOTAL GENERAL SERVICES ADMINISTRATION</b>			<b>4,612</b>	<b>—</b>
<b>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>				
Passed through Oregon Department of Human Services				
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploit	93.041	160438	11,474	—
Special Programs for the Aging, Title III, Part D - Disease Prevention and Health Promotion Services	93.043	160438	56,947	—
National Family Caregiver Support, Title III, Part E	93.052	160438	171,678	—
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	160438	679,088	—
Families First Coronavirus Aid, Relief and Economic Security Act - III-B	93.044	160438/CARES Act	483,021	—
Special Programs for the Aging, Title III, Part C, Nutrition Services - Congregate Meals	93.045	160438	275,000	—
Special Programs for the Aging, Title III, Part C, Nutrition Services - Home Delivered Meals	93.045	160438	412,500	—
Families First Coronavirus Response Act Funding - III - C1 & C2	93.045	160438/CARES Act	14,459	—
Families First Coronavirus Aid, Relief and Economic Security Act - III - E	93.045	160438/CARES Act	169,675	—
Nutrition Services Incentive Program	93.053	160438	127,166	—
<i>Total Aging Cluster (93.044, 93.045, &amp; 93.053)</i>			2,160,909	—
Passed through Oregon Dept of Consumer and Business Services - SHIBA Program				
Special Programs for the Aging, Title IV, Title II, Discretionary Projects - Senior Medicare Patrol	93.048	40G000141	7,500	—
Passed through Oregon Health Authority				
PE 12 Public Health Emergency Preparedness Program	93.069	159831/NU90TP922036	226,853	—
Passed through Oregon Dept of Consumer and Business Services - SHIBA Program				
Medicare Enrollment Asst Program - MIPPA	93.071	45G000237/HHS-2020-CIP-MI-20-001	7,934	—
Passed through Work Systems, Inc.				
Health Profession Opportunity Grant	93.093	20-60606/90FX0044-06-00	100,850	—
Passed through Oregon Health Authority				
FDA 218 Course/Retails Standards Grant Program	93.103	G-T-1910-07730	3,000	—
PE 43 Immunization Services	93.268	159831/NH23IP22626	148,429	—
COVID-19 PE 43 CARES Flu	93.268	159831/NH23IP22626	156,367	—
<i>Total AL 93.268</i>			304,796	—

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, 2021

Federal Grantor Pass-Through Grantor Program Title/Cluster	Assistance Listing	Pass-Through Number	Expenditures Year Ended June 30, 2021	Amount Provided to Subrecipients
<b>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES: (continued)</b>				
Passed through Oregon Health Authority (continued)				
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases - PE 01-07	93.323	159831/NU50CK000541	2,703,851	—
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases - PE 01-08	93.323	159831/NU50CK000541	20,000	—
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases - PE 01-09	93.323	159831/NU50CK000541	7,215,364	—
<i>Total AL 93.323</i>			9,939,215	—
Passed through Oregon Department of Consumer and Business Services				
State Health Insurance Assistance Program - SHIBA 20-21	93.324	45G000230	22,000	—
Passed through Oregon Health Authority				
COVID-19 PE 12-02 COVID-19 Response	93.354	159831/NU90TP922070	300,962	—
Passed through Oregon Department of Justice				
Child Support Enforcement	93.563	19308/ORCSES	2,009,294	—
Passed through Oregon Department of Human Services				
Foster Care Title IV-E - Foster Care Program	93.658	145711/1601ORFOST	288,037	—
Passed through Oregon Health Authority/Multnomah County				
Opioid STR - PE 27 SAMHSA	93.788	159831/H79TI081716	36,886	—
Passed through Oregon Health Authority				
HIV Prevention Activities - Health Department Based	93.940	159831/NU62PS24543	153,162	110,000
Block Grants for Community MH Svc - MH20 Non-Residential MH for Adults General	93.958	159182	99,465	99,465
Block Grants for Community MH Svc - MH 25 Community Crisis Svcs for Adults and Children	93.958	159182	210,498	210,498
Block Grants for Community MH Svc - MH 26A Early Assessment and Support Alliance	93.958	159182	99,464	99,464
<i>Total AL 93.958</i>			409,427	409,427
Block Grants for Prevention and Treatment of Substance Abuse AD61	93.959	159182	17,121	—
Block Grants for Prevention and Treatment of Substance Abuse AD64	93.959	159182	178,183	—
Block Grants for Prevention and Treatment of Substance Abuse AD66	93.959	159182	581,086	—
Block Grants for Prevention and Treatment of Substance Abuse AD67	93.959	159182	71,896	—
Block Grants for Prevention and Treatment of Substance Abuse AD70	93.959	154960	278,047	—
<i>Total AL 93.959</i>			1,126,333	—
Passed through Oregon Health Authority				
Maternal & Child Health Services Block Grant to the States - PE 42 MCAH	93.994	159831/B04MC33862	199,367	—
Passed through Oregon Health & Science University				
Maternal and Child Health Services Block Grant to the States - CaCoon	93.994	1015198/B04MC31511	82,788	—
<i>Total AL 93.994</i>			282,155	—
<b>TOTAL U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>17,619,412</b>	<b>519,427</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 WIN-2020	95.001	G20OR0003A	108,952	27,078
High Intensity Drug Trafficking Areas WIN-2021	95.001	G21OR0003A	18,447	7,359
<i>Total AL 95.001</i>			127,399	34,437
<b>TOTAL U.S. EXECUTIVE OFFICE OF THE PRESIDENT</b>			<b>127,399</b>	<b>34,437</b>
<b>U. S. DEPARTMENT OF HOMELAND SECURITY:</b>				
Emergency Food and Shelter Program				
	97.024	DIRECT	256,152	—
COVID-19 Disaster Grants-Public Assistance (Presidentially Declared Disasters)-COVID-19 - Fac Disinfection				
	97.036	DIRECT	20,922	—
COVID-19 Disaster Grants-Public Assistance (Presidentially Declared Disasters)-COVID-19 - Temp Facilities				
	97.036	DIRECT	54,295	—
<i>Total AL 97.042</i>			75,217	—
Passed through Oregon Military Department of Emergency Management				
Emergency Management Performance Grant 20-534	97.042	EMS-2020-EP-00004-S01	231,487	—
COVID-19 Emergency Management Performance Grant - COVID-19 Supplemental 20-534	97.042	EMS-2020-EP-00007-S01	57,903	—
<i>Total AL 97.042</i>			289,390	—
Hazard Mitigation Grant Program				
	97.047	PDMC-PL-10-OR-2019-002	3,653	—
Homeland Security Grant Program - 18-19 Law Enforcement Terrorism Prevention				
	97.067	EMW-2018-SS-00072-S01	17,718	—
Homeland Security Grant Program - ATC 20/45 SAP Training 19-264				
	97.067	EMW-2019-SS-00068-S01	26,587	—
Passed through City of Portland, Bureau of Emergency Management (PBEM)				
Homeland Security Grant Program - UASI 18-170	97.067	EMW-2018-SS-00072-S01	5,967	5,967
Homeland Security Grant Program - UASI 19-170	97.067	DHS-18-GPD-067-00-01	43,960	—
<i>Total AL 97.067</i>			94,232	5,967
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>			<b>718,644</b>	<b>5,967</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 192,390,311</b>	<b>55,840,297</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, 2021

**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, 2021. 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 CFDA* Number</u>		<u>Expenditures Year Ended June 30, 2021</u>	<u>Loans Outstanding June 30, 2021</u>
HOME	14.239	\$	1,004,489	32,784,588

*\*Catalog of Federal Domestic Assistance*

**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 CFDA Number</u>		<u>Expenditures Year Ended June 30, 2021</u>
Food Donation	10.553	\$	4,974
Food Donation	10.555		8,115

**WASHINGTON COUNTY, OREGON**

Notes to Schedule of Expenditures of Federal Awards

Fiscal Year Ended June 30, 2021

**Section 8 Housing Choice Vouchers Program (CFDA 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, 2021

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

***Federal Awards***

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	Yes
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)?	Yes

Identification of major programs:

AL No 14.155	Mortgage Insurance for the Purchase or Refinancing of Existing Multifamily Housing Projects
AL No. 14.218	CDBG-Entitlement Grants Cluster
AL No. 14.267	Continuum of Care Program
AL No. 21.019	COVID-19 Coronavirus Relief Fund
AL No. 93.323	COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases

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, 2021

**SECTION II – FINANCIAL STATEMENT FINDING**

None reported.

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

**Finding 2021-001**

Federal Program: AL 14.218 CDBG - Entitlement Grants Cluster

Federal Agency: U.S. Department of Housing and Urban Development

Award Year: 2020-2021

Criteria: 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.

Condition: 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.

Cause: The cause appears to be attributable to a change in HUD reporting combined with new project staff needing training and a needed revision in County processes for this reporting.

Effect: A lack of effective internal controls over review and filing of annual and quarterly reports resulted in one omitted annual filing and other quarterly reports not evidencing review.

Questioned Costs: No known or estimated questioned costs identified.

Context: The Section 3 reporting (formerly reported on the HUD 60002 report) has not been prepared, and therefore, not submitted timely, and the quarterly 'Cash on Hand' reports were not reviewed before filing on time.

Recommendation: The County should develop and implement policies and procedures to ensure that all reports are reviewed by someone other than the preparer and that all reports are filed in a timely manner.

View of Responsible Officials: The County understands and concurs with the finding.

**WASHINGTON COUNTY, OREGON**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED JUNE 30, 2021**

**Finding 2020-001**

Condition: Lack of sufficient review occurring over year end schedules, journal entries and annual top side entries.

Lack of following existing internal controls and the ineffective review has the potential to cause significant misstatements in the financial statements. Adjustments were posted to the trial balance and top entries as a result of audit procedures.

Corrective Action Taken: The County believes strongly in a sound internal control environment and training programs that support it. In fiscal year 2020-21 the Controller and Chief Accountant put additional steps in place for compiling, reviewing, and approving year end schedules, journal entries, and annual top side entries to help ensure that all amounts which should be included have been reviewed for completeness. This plan was reviewed and approved by the Deputy Chief Financial Officer.

**Finding 2020-002**

Condition: Internal control over compliance requirement M. related to subrecipient monitoring was not evidenced.

Lack of effective internal controls over compliance for subrecipient monitoring may result in administrative errors and improper/missed HOME projects not being subjected to monitoring each year.

Corrective Action Taken: During fiscal year 2020-21, the Office of Community Development implemented the below corrective action plan:

- Annually, the Housing and Community Development (HCD) Specialist drafted a master monitoring schedule with activities that were reviewed within the fiscal year.
- The master monitoring schedule was reviewed by the Program Manager (PM) and was noted via an electronic signature.

Taking these steps was a priority for the Office of Community Development. This plan was implemented within 90 days of publication of the finding to align with the beginning of the next fiscal year.

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