



REPORTS OF INDEPENDENT AUDITORS AND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**CITY OF PORTLAND, OREGON
FEDERAL GRANT PROGRAMS**

June 30, 2019

Table of Contents

	PAGE
Report of Independent Auditors on the Financial Statements for the Year Ended June 30, 2019	*
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 <i>Government Auditing Standards</i>	1–2
Report of Independent Auditors on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	3–5
Schedule of Expenditures of Federal Awards	6–13
Notes to Schedule of Expenditures of Federal Awards	14–15
Schedule of Findings and Questioned Costs	16

** incorporated by reference only*

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 City Council
City of Portland, 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, and the aggregate remaining fund information of the City of Portland, Oregon (the City), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City'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 results 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

Portland, Oregon
October 30, 2019

Report of Independent Auditors on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The City Council
City of Portland, Oregon

Report on Compliance for Each Major Federal Program

We have audited the City of Portland, Oregon's (the City) 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 City's major federal programs for the year ended June 30, 2019. The City'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 City'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 City'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 City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City 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, 2019.

Report on Internal Control Over Compliance

Management of the City 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 City'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 City'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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated October 30, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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 basic financial statements as a whole.

Moss Adams, LLP

Portland, Oregon
December 9, 2019

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor	Federal CFDA Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Sub recipients	Total Federal Expenditures
DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE					
10.558	Child and Adult Care Food Program				
	Passed through: Oregon Department of Education After School Meal Program	26 16026	\$ 44,525	\$ -	\$ 44,525
Total 10.558	Child and Adult Care Food Program		<u>44,525</u>	<u>-</u>	<u>44,525</u>
TOTAL DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE			44,525	-	44,525
DEPARTMENT OF COMMERCE					
Economic Development Cluster					
11.307	Economic Adjustment Assistance				
	Direct Programs: EDA Revolving Loan Fund	07-39-02259	2,547,593	-	2,547,593
Total 11.307	Economic Adjustment Assistance		<u>2,547,593</u>	<u>-</u>	<u>2,547,593</u>
Total Economic Development Cluster			<u>2,547,593</u>	<u>-</u>	<u>2,547,593</u>
11.619	Arrangements of Interdisciplinary Research Infrastructure				
	Direct Program: Low-Cost Urban Air Quality Measurements	70NANB16H258	13,530	-	13,530
Total 11.619	Arrangements of Interdisciplinary Research Infrastructure		<u>13,530</u>	<u>-</u>	<u>13,530</u>
TOTAL DEPARTMENT OF COMMERCE			2,561,123	-	2,561,123
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Community Development Block Grants/Entitlement Grants Cluster					
14.218	Community Development Block Grants/Entitlement Grants				
	Direct Programs: CDBG		6,323,384	4,738,228	11,061,612

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor	Federal CFDA Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Sub recipients	Total Federal Expenditures
	Passed through:				
	City of Gresham				
	Gresham CDBG 18-19	N/A	\$ 10,066	\$ -	\$ 10,066
	Multnomah County				
	Mult. Co. CDBG 18-19	N/A	3,519	-	3,519
	Subtotal 14.218	Community Development Block Grants/Entitlement Grants	<u>6,336,969</u>	<u>4,738,228</u>	<u>11,075,197</u>
	Total Community Development Block Grants/Entitlement Grants Cluster		<u>6,336,969</u>	<u>4,738,228</u>	<u>11,075,197</u>
14.231	Emergency Solutions Grants Program				
	Direct Programs:				
	ESG		100,443	593,258	693,701
Total 14.231	Emergency Solutions Grants Program		<u>100,443</u>	<u>593,258</u>	<u>693,701</u>
14.239	HOME Investment Partnerships Program				
	Direct Programs:				
	HOME		947,976	494,803	1,442,779
	HOME Loans		65,547,682	-	65,547,682
Total 14.239	HOME Investment Partnerships Program		<u>66,495,658</u>	<u>494,803</u>	<u>66,990,461</u>
14.241	Housing Opportunities for Persons with AIDS				
	Direct Programs:				
	HOPWA		-	1,349,567	1,349,567
Total 14.241	Housing Opportunities for Persons with AIDS		<u>-</u>	<u>1,349,567</u>	<u>1,349,567</u>
14.267	Continuum of Care Program				
	Direct Programs:				
	HMIS 18-19		202,682	-	202,682
	HMIS 19-20		44,158	-	44,158
Total 14.267	Continuum of Care Program		<u>246,840</u>	<u>-</u>	<u>246,840</u>
14.905	Lead Hazard Reduction Demonstration Grant Program				
	Direct Programs:				
	Lead Hazard Reduction Demonstration Grant 2017	ORLHD0318-17	711,252	-	711,252
Total 14.905	Lead Hazard Reduction Demonstration Grant Program		<u>711,252</u>	<u>-</u>	<u>711,252</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>73,891,162</u>	<u>7,175,856</u>	<u>81,067,018</u>

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor	Federal CFDA Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Sub recipients	Total Federal Expenditures
NATIONAL PARK SERVICE					
	Fish and Wildlife Cluster				
	15.605 Sport Fish Restoration Program				
	Direct Programs:				
	Swan Island Tech. Assist./Permitting - 2018-19 Project	226-18	\$ 31,447	\$ -	\$ 31,447
	Total Fish and Wildlife Cluster		<u>31,447</u>	<u>-</u>	<u>31,447</u>
TOTAL NATIONAL PARK SERVICE			31,447	-	31,447
DEPARTMENT OF THE INTERIOR					
	15.904 Historic Preservation Fund Grants-In-Aid				
	Passed through:				
	Oregon Parks and Recreation Department				
	Historic Preservation Grant	OR-18-17	11,520	-	11,520
	Total 15.904 Historic Preservation Fund Grants-In-Aid		<u>11,520</u>	<u>-</u>	<u>11,520</u>
TOTAL DEPARTMENT OF THE INTERIOR			11,520	-	11,520
DEPARTMENT OF JUSTICE					
	16.525 Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking				
	Passed through:				
	Lewis & Clark				
	Addressing Gender-Based Violence at Lewis & Clark College	1901SA4035	126	-	126
	Total 16.525 Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking		<u>126</u>	<u>-</u>	<u>126</u>
	16.590 Grants to Encourage Arrest Policies and Enforcement of Protection Orders				
	Passed through:				
	Multnomah County				
	Multnomah County Domestic Violence Enhanced Response Team	4400003904	30,571	-	30,571
	Total 16.590 Grants to Encourage Arrest Policies and Enforcement of Protection Orders		<u>30,571</u>	<u>-</u>	<u>30,571</u>

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor	Federal CFDA Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Sub recipients	Total Federal Expenditures
16.738	Edward Byrne Memorial Justice Assistance Grant Program				
	Direct Programs:				
	FY15 Justice Assistance Grant	2015-DJ-BX-0532	\$ 6,971	\$ 27,537	\$ 34,508
	FY16 Justice Assistance Grant	2016-DJ-BX-0833	41,845	16,630	58,475
	FY17 Justice Assistance Grant	2017-DJ-BX-0666	17,408	-	17,408
Total 16.738	Edward Byrne Memorial Justice Assistance Grant Program		<u>66,224</u>	<u>44,167</u>	<u>110,391</u>
16.751	Edward Byrne Memorial Competitive Grant Program				
	Direct Programs:				
	BJA Sexual Assault Kit Initiative	2015 AK-BX-K020	275,203	-	275,203
	FY13 Smart Policing Initiative	2014-WY-BX-0004	124,145	-	124,145
Total 16.751	Edward Byrne Memorial Competitive Grant Program		<u>399,348</u>	<u>-</u>	<u>399,348</u>
16.752	Economic High-Tech and Cyber Crime Prevention				
	Direct Programs:				
	FY18 Intellectual Property Crime Enforcement Program	2018-IP-BX-0007	34,033	-	34,033
	FY14 Intellectual Property Crime Enforcement Program	2015-BE-BX-0005	7,822	11,427	19,249
Total 16.752	Economic High-Tech and Cyber Crime Prevention		<u>41,855</u>	<u>11,427</u>	<u>53,282</u>
16.833	National Sexual Assault Kit Initiative				
	Direct Programs:				
	FY15 Sexual Assault Kit Initiative (SAKI)	2015 AK-BX-K020	259,724	39,378	299,102
Total 16.833	National Sexual Assault Kit Initiative		<u>259,724</u>	<u>39,378</u>	<u>299,102</u>
16.922	Equitable Sharing Program				
	Direct Programs:				
	Asset Forfeiture	N/A	138,757	-	138,757
Total 16.922	Equitable Sharing Program		<u>138,757</u>	<u>-</u>	<u>138,757</u>
TOTAL DEPARTMENT OF JUSTICE			<u>936,605</u>	<u>94,972</u>	<u>1,031,577</u>

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor	Federal CFDA Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Sub recipients	Total Federal Expenditures
DEPARTMENT OF TRANSPORTATION					
	Highway Planning and Construction Cluster				
	20.205 Highway Planning and Construction				
	Passed through:				
	Oregon Department of Transportation				
	SPRINGWATER TRAIL GAP SE UMATILLA TO SE 13TH AVE	ODOT #29674/KEY#18416	\$ 932,534	\$ -	\$ 932,534
	Red Electric Trail	28038/21492	8,762	-	8,762
	NE Columbia Boulevard at OR 99E (MLK Jr. Boulevard) - T00024	27883	338,645	-	338,645
	East Portland Access to Transit Project (T00383)	28473/26586	668,085	-	668,085
	Widen Burgard Rd add in bicycle lanes & sidewalks (T00386)	29815/26586	(59,839)	-	(59,839)
	Marine Drive Trail-CMAQ (T00437)-LGIP	29770/26586	19,677	-	19,677
	Columbia Blvd ITS N/NE Project	30517	168,912	-	168,912
	Southwest In Motion	19301/5900280	40,419	-	40,419
	HSIP & Ops Safety Bike/Ped Improvements	19299/5900288	75,708	-	75,708
	HSIP Signalized Improvements	31084/30890	59,740	-	59,740
	Downtown I-405 Ped Safety & Improvements	31092/30890	123,506	-	123,506
	St Johns Truck Strategy Phase II	31093/30890	1,197,181	-	1,197,181
	Connected Cully, NE	31091/18814	237,523	-	237,523
	Foster: Powell 90th, SE	18022/STP-U 5900(287)	2,411,996	-	2,411,996
	SE 122nd Avenue: Johnson Creek Bridge Replacement	19794/5900289	2,409,982	-	2,409,982
	Columbia Blvd: Cully Blvd & Alderwood Rd	31025/30890	115,580	-	115,580
	Central City Multi-Modal Safety	31120/30890	70,248	-	70,248
	East Portland Access to Employment and Education	31303/30890	615,797	-	615,797
	Safe Routes to Schools	HU-16-10-10	29,458	-	29,458
	Going to Swan Island	31302/30890	64,470	-	64,470
	Regional Signal System	31817/30890	33,314	-	33,314
	Ped Master Plan	31983	20,700	-	20,700
	North Rivergate	31626/30890	189,902	-	189,902
	Halsey Streetscape 65th-92nd	33095/30890	9,425	-	9,425
	2015-17 ODOT Workzone BBB	1719WKZN-421 BBB	59,506	-	59,506
	Total 20.205 Highway Planning and Construction		9,841,231	-	9,841,231

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor	Federal CFDA Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Sub recipients	Total Federal Expenditures
20.319	High-Speed Rail Corridors and Intercity Passenger Rail Service-Capital Assistance Grants				
	Passed through:				
	ODOT				
	Portland Union Station Tracks & Building PE/NEPA	PDC/28209	\$ 194,359	\$ -	\$ 194,359
Total 20.319	High-Speed Rail Corridors and Intercity Passenger Rail Service-Capital Assistance Grants		194,359	-	194,359
Federal Transit Cluster					
20.507	Federal Transit-Formula Grants				
	Passed through:				
	Metro				
	RTO Active Portland	934628	342,557	17,758	360,315
	South Waterfront Wayfinding	935878	13,460	-	13,460
	TRIMET				
	TriMet Imprv Transit Bus Stops	OR-95-X008	24,166	-	24,166
Total 20.507	Federal Transit-Formula Grants		380,183	17,758	397,941
Total Federal Transit Cluster			380,183	17,758	397,941
Highway Safety Cluster					
20.600	State and Community Highway Safety				
	Passed through:				
	ODOT Traffic Safety Division				
	2018 ODOT Safety Belt Grant	OP-18-45-03 QQQ	8,516	-	8,516
	2018 ODOT Speed Grant	SC-18-35-11 PPB	2,706	-	2,706
	Oregon Impact Distracted Driving Enforcement Campaign	69A375130000405EORC	6,255	-	6,255
	Oregon Impact Pedestrian Safety Enforcement	69A3751830000405HOR0	1,894	-	1,894
Total 20.600	State and Community Highway Safety		19,371	-	19,371
20.616	National Priority Safety Programs				
	Passed through:				
	ODOT				
	OR Impact DUII HVE 2018	N/A	12,687	-	12,687
	ODOT Safety Belt 2019	OP-19-45-03 VVV	4,207	-	4,207
	ODOT TSD Speed 2019	M8SC-19-35-05 PPB	2,888	-	2,888
Total 20.616	National Priority Safety Programs		19,782	-	19,782
Total Highway Safety Cluster			39,153	-	39,153

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor	Federal CFDA Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Sub recipients	Total Federal Expenditures
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated				
	Passed through:				
	Oregon Impact				
	OREGON IMPACT DUUI HVE 2019		\$ 33,860	\$ -	\$ 33,860
Total 20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		33,860	-	33,860
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants				
	Passed through:				
	Department of State Police				
	Gas Detection Training		15,500	-	15,500
Total 20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants		15,500	-	15,500
TOTAL DEPARTMENT OF TRANSPORTATION			10,504,286	17,758	10,522,044
ENVIRONMENTAL PROTECTION AGENCY					
66.818	Brownfields Assessment and Cleanup Cooperative Agreements				
	Direct Programs:				
	Brownfields Community Wide Assessment for Hazardous Substances and Petroleum	BF-01J23801-0	138,457	-	138,457
	EPA Brownfield 2011 Revolving Loan Fund-subfund 217011	BF-00J45201	9,765	-	9,765
Total 66.818	Brownfields Assessment and Cleanup Cooperative Agreements		148,222	-	148,222
TOTAL ENVIRONMENTAL PROTECTION AGENCY			148,222	-	148,222
DEPARTMENT OF ENERGY					
81.117	Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Asset				
	Direct Programs:				
	Cities Leading through Energy Analysis and Planning	DE-EE0007737	16,810	3,576	20,386
Total 81.117	Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Asset		16,810	3,576	20,386
TOTAL DEPARTMENT OF ENERGY			16,810	3,576	20,386

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Federal Grantor	Federal CFDA Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Sub recipients	Total Federal Expenditures
DEPARTMENT OF HOMELAND SECURITY					
97.036	Disaster Grants-Public Assistance				
	Passed through:				
	Oregon Office of Emergency Management				
	FEMA Winter Storm 2015	DR-4258-OR-PW 155	\$ 399,943	\$ -	\$ 399,943
Total 97.036	Disaster Grants-Public Assistance		<u>399,943</u>	<u>-</u>	<u>399,943</u>
97.042	Emergency Management Performance Grants				
	Passed through:				
	Oregon Office of Emergency Management				
	2017 Emergency Management Performance Grant	17-541	4,718	-	4,718
	2018 Emergency Management Performance Grant	18-542	340,188	-	340,188
Total 97.042	Emergency Management Performance Grants		<u>344,906</u>	<u>-</u>	<u>344,906</u>
97.047	Pre-Disaster Mitigation				
	Passed through:				
	Oregon Office of Emergency Management				
	Portland Residential Seismic Strengthening Project	EMS-2016-PC-0001	-	24,606	24,606
Total 97.047	Pre-Disaster Mitigation		<u>-</u>	<u>24,606</u>	<u>24,606</u>
97.067	Homeland Security Grant Program				
	Passed through:				
	Oregon Office of Emergency Management				
	Urban Area Security Initiative 2015	15-170	131,051	-	131,051
	Urban Area Security Initiative 2016	16-170	746,737	802,575	1,549,312
	Urban Area Security Initiative 2017	17-170	453,731	26,630	480,361
	Urban Area Security Initiative 2018	18-170	38,506	50,000	88,506
	SHSP 2017 MEDU Joint State Bomb Teams Equip/Trng Regional	17-231	37,444	-	37,444
Total 97.067	Homeland Security Grant Program		<u>1,407,469</u>	<u>879,205</u>	<u>2,286,674</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			2,152,318	903,811	3,056,129
Total Federal Expenditures				\$	<u>98,493,991</u>

City of Portland, Oregon
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Portland, Oregon (the City) under programs of the federal government for the year ended June 30, 2019. 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 City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

Note 2 – 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. Negative amounts shown on the Schedule or Notes to the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where applicable.

Note 3 – Federal Loan Programs

The federal loans under the federal program listed subsequently are administered directly by the City and balances and transactions relating to this program are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2019 consists of:

CFDA Number	Program Name	Outstanding Balance at June 30, 2019
14.239	U.S. Department of Housing and Urban Development HOME Investment Partnerships Program	\$ 66,990,461

Note 4 – Election of De Minimis Indirect Rate

During the current year end, June 30, 2019, the City did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

City of Portland, Oregon
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

Note 5 – Economic Adjustment Assistance Program

The City has an EDA revolving loan fund (RLF) under the Economic Adjustment Assistance Program, CFDA 11.307. According to the OMB Compliance Supplement, for purposes of completing the Schedule, each EDA RLF (CFDA 11.307) should be shown as a separate line item calculated as follows:

1. Balance of RLF loans outstanding at the end of the recipient's fiscal year, *plus*
2. Cash and investment balance in the RLF at the end of the recipient's fiscal year, *plus*
3. Administrative expenses paid out of RLF income during the recipient's fiscal year, *plus*
4. The unpaid principal of all loans written off during the recipient's fiscal year; *and then multiply this sum (1+2+3+4) by*
5. The Federal share of the RLF. The Federal share is defined as the Federal participation rate (or the Federal grant rate) as specified in the grant award.

The figures used in this calculation to arrive at the RLF amount to be shown on the Schedule are as of June 30, 2019, and the calculation is as follows:

CFDA Number	Program Name	Outstanding Balance at June 30, 2019
11.307	Department of Commerce Economic Adjustment Assistance Program – EDA revolving Loan Fund	\$ 2,547,593
	Revolving Loan Fund Calculation	
	Loans Receivable	1,138,302
	Cash	1,440,611
	Restricted Cash	-
	Administrative Costs	14,752
	Loan Write-Offs Unpaid Principal	-
		2,593,664
	Federal Participation Rate	98%
	Federal Share of Revolving Loan Fund	\$ 2,547,593

City of Portland, Oregon
Schedule of Findings and Questioned Costs
Year Ended June 30, 2019

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: 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 2 CFR 200.516(a)?
 Yes No

Identification of major federal programs and type of auditor’s report issued on compliance for major federal programs:

CFDA Numbers	Name of Federal Program or Cluster	Type of Auditor’s Report Issued on Compliance for Major Federal Programs
11.307	Economic Development Cluster	Unmodified
14.218	Community Development Block Grant/Entitlement Grants Cluster	Unmodified
14.241	Housing Opportunities for Persons with AIDS	Unmodified
20.205	Highway Planning and Construction Cluster	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$ 945,106
 Auditee qualified as low-risk auditee? Yes No

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

