



REPORTS OF INDEPENDENT AUDITORS AND
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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

June 30, 2020

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** 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, 2020, 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, 2020.

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) as a basis for designing 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 financial statements. 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.

Mass Adams LLP

Portland, Oregon
October 30, 2020

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, 2020. 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, 2020.

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 units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2020, 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, 2020, 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
March 31, 2021

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Federal Grantor	Federal Assistance Listing Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	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	\$ 30,603	\$ -	\$ 30,603
Total 10.558	Child and Adult Care Food Program		<u>30,603</u>		
TOTAL DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE			30,603	-	30,603
DEPARTMENT OF COMMERCE					
Economic Development Cluster					
11.307	Economic Adjustment Assistance Direct Programs: EDA Revolving Loan Fund	07-39-02259	2,617,435	-	2,617,435
Total 11.307	Economic Adjustment Assistance		<u>2,617,435</u>	<u>-</u>	<u>2,617,435</u>
Total Economic Development Cluster			2,617,435	-	2,617,435
TOTAL DEPARTMENT OF COMMERCE			2,617,435	-	2,617,435
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Community Development Block Grants/Entitlement Grants Cluster					
14.218	Community Development Block Grants/Entitlement Grants Direct Programs: CDBG	N/A	2,757,272	4,564,859	7,322,131
	Passed through: City of Gresham Gresham CDBG 18-19	N/A	10,071	-	10,071
	Multnomah County Mult. Co. CDBG 18-19	N/A	3,536	-	3,536
Total 14.218	Community Development Block Grants/Entitlement Grants		<u>2,770,879</u>	<u>4,564,859</u>	<u>7,335,738</u>
Total Community Development Block Grants/Entitlement Grants Cluster			<u>2,770,879</u>	<u>4,564,859</u>	<u>7,335,738</u>

City of Portland, Oregon
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2020

Federal Grantor	Federal Assistance Listing Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
14.231	Emergency Solutions Grants Program				
	Direct Programs:				
	ESG	N/A	-	671,300	671,300
Total 14.231	Emergency Solutions Grants Program		-	671,300	671,300
14.239	HOME Investment Partnerships Program				
	Direct Programs:				
	HOME Loan Balance	N/A	65,988,885	-	65,988,885
	HOME	N/A	1,172,240	668,090	1,840,330
Total 14.239	HOME Investment Partnerships Program		67,161,125	668,090	67,829,215
14.241	Housing Opportunities for Persons with AIDS				
	Direct Programs:				
	HOPWA	N/A	-	1,633,011	1,633,011
Total 14.241	Housing Opportunities for Persons with AIDS		-	1,633,011	1,633,011
14.267	Continuum of Care Program				
	Direct Programs:				
	HMIS 20-21	OR0025L0E011912	47,752	-	47,752
	HMIS 19-20	OR0025L0E011811	201,508	-	201,508
Total 14.267	Continuum of Care Program		249,260	-	249,260
14.905	Lead Hazard Reduction Demonstration Grant Program				
	Direct Programs:				
	Lead Hazard Reduction Demonstration Grant 2013	ORLHD0256-13	(1,536)	-	(1,536)
	Lead Hazard Reduction Demonstration Grant 2017	ORLHD0318-17	921,252	-	921,252
Total 14.905	Lead Hazard Reduction Demonstration Grant Program		919,716	-	919,716
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			71,100,980	7,537,260	78,638,240
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	980	-	980
Total 15.904	Historic Preservation Fund Grants-In-aid		980	-	980
TOTAL DEPARTMENT OF THE INTERIOR			980	-	980

City of Portland, Oregon
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2020

Federal Grantor	Federal Assistance Listing Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
DEPARTMENT OF JUSTICE					
16.034	Coronavirus Emergency Supplemental Funding Program				
	Direct Programs:				
	COVID-19 - FY 20 Coronavirus Emergency Supplemental Funding Program (CESF)	2020-VD-BX-0238	\$ 692,165	\$ -	\$ 692,165
Total 16.034	Coronavirus Emergency Supplemental Funding Program		692,165	-	692,165
16.525	Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking				
	Passed through:				
	Lewis and Clark				
	Addressing Gender-Based Violence at Lewis & Clark College	1901SA4035	1,214	-	1,214
Total 16.525	Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking		1,214	-	1,214
16.582	Crime Victims Assistance/Discretionary Grants				
	Direct Programs:				
	FY 2018 Law Enforcement Based Direct Victim's Services & Technical Services Program	2018-V3-GX-0015	146,554	-	146,554
Total 16.582	Crime Victims Assistance/Discretionary Grants		146,554	-	146,554
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders				
	Passed through:				
	Multnomah County				
	Multnomah County Domestic Violence Enhanced Response Team	4400003904	15,877	-	15,877
Total 16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders		15,877	-	15,877
16.738	Edward Byrne Memorial Justice Assistance Grant Program				
	Direct Programs:				
	FY 16 Justice Assistance Grant	2016-DJ-BX-0833	68,851	-	68,851
	FY 17 Justice Assistance Grant	2017-DJ-BX-0666	101,374	5,611	106,985
Total 16.738	Edward Byrne Memorial Justice Assistance Grant Program		170,225	5,611	175,836

City of Portland, Oregon
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2020

Federal Grantor	Federal Assistance Listing Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
	16.751 Edward Byrne Memorial Competitive Grant Program				
	Direct Programs:				
	BJA Sexual Assault Kit Initiative	2015 AK-BX-K020	\$ 154,425	\$ 38,123	\$ 192,548
	Total 16.751 Edward Byrne Memorial Competitive Grant Program		<u>154,425</u>	<u>38,123</u>	<u>192,548</u>
	16.752 Economic High-Tech and Cyber Crime Prevention				
	Direct Programs:				
	FY18 Intellectual Property Crime Enforcement Program	2018-IP-BX-0007	36,312	20,629	56,941
	Total 16.752 Economic High-Tech and Cyber Crime Prevention		<u>36,312</u>	<u>20,629</u>	<u>56,941</u>
	16.817 Innovations in Community Based Crime Reduction				
	Direct Programs:				
	FY 18 Innovations in Community Based Crime Reduction Program	2018-BJ-BX-0001	86,732	16,149	102,881
	Total 16.817 Innovations in Community Based Crime Reduction		<u>86,732</u>	<u>16,149</u>	<u>102,881</u>
	16.833 National Sexual Assault Kit Initiative				
	Direct Programs:				
	FY15 Sexual Assault Kit Initiative (SAKI)	2015 AK-BX-K020	(13,563)	-	(13,563)
	Total 16.833 National Sexual Assault Kit Initiative		<u>(13,563)</u>	<u>-</u>	<u>(13,563)</u>
	16.922 Equitable Sharing Program				
	Direct Programs:				
	Asset Forfeiture	N/A	258,973	-	258,973
	Total 16.922 Equitable Sharing Program		<u>258,973</u>	<u>-</u>	<u>258,973</u>

City of Portland, Oregon
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2020

Federal Grantor	Federal Assistance Listing Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
20.205	Highway Planning and Construction				
	Passed through:				
	ODOT				
	SPRINGWATER TRAIL GAP SE UMATILLA TO SE 13TH AVE	ODOT #29674/KEY#18416	\$ 451,120	\$ -	\$ 451,120
	Red Electric Trail	28038/21492	25,986	-	25,986
	NE Columbia Boulevard at OR 99E (MLK Jr. Boulevard) - T00024	27883	972,788	-	972,788
	East Portland Access to Transit Project (T00383)	28473/26586	2,024,753	-	2,024,753
	Widen Burgard Rd add in bicycle lanes & sidewalks (T00386)	29815/26586	17,926	-	17,926
	Marine Drive Trail-CMAQ (T00437)-LGIP	29770/26586	664,947	-	664,947
	Columbia Blvd ITS N/NE Project	30517	52,178	-	52,178
	Southwest In Motion	19301/5900280	(4,832)	-	(4,832)
	HSIP & Ops Safety Bike/Ped Improvements	19299/5900288	853,310	-	853,310
	HSIP Signalized Improvements	31084/30890	1,120,570	-	1,120,570
	Downtown I-405 Ped Safety & Improvements	31092/30890	84,724	-	84,724
	St Johns Truck Strategy Phase II	31093/30890	1,231,347	-	1,231,347
	SE 122nd Avenue: Johnson Creek Bridge Replacement	19794/5900289	(102,604)	-	(102,604)
	Columbia Blvd: Cully Blvd & Alderwood Rd	31025/30890	144,595	-	144,595
	Central City Multi-Modal Safety	31120/30890	72,182	-	72,182
	East Portland Access to Employment and Education	31303/30890	611,839	-	611,839
	Safe Routes to Schools	HU-16-10-10	12,573	-	12,573
	Going to Swan Island	31302/30890	31,128	-	31,128
	Reg Signal System	31817/30890	34,955	-	34,955
	FHWA Emergency Response December 2016 Storm	N/A	(382)	-	(382)
	70's Neighborhood Greenway	32301/30890	108,840	-	108,840
	North Rivergate	31626-30890	6,367,006	-	6,367,006
	Brentwood-Darlington Bike/Ped Improvements	33097/30890/A013-G092418	61,081	-	61,081
	Halsey 65th-92nd	33095-30890	133,209	-	133,209
	NW Thurman St. Emergency Relief	32895/30890/A013-G092418	29,547	-	29,547
	All Roads Transportation Safety	32760/30890	12,641	-	12,641
	Barbur Sidewalk Infill	33372/30890/A013-G092418	123,632	-	123,632
	Jade Montavilla Multimodal Improvements	33241	5,539	-	5,539
	ODOT Traffic Safety Division				
	Portland PB Workzone ENF/R1	1921WKZN-421 BBB	43,083	-	43,083
	2017-19 ODOT Workzone BBB	1719WKZN-421 BBB	(8,655)	-	(8,655)
Total 20.205	Highway Planning and Construction		15,175,026	-	15,175,026
Total Highway Planning and Construction Cluster			15,175,026	-	15,175,026

City of Portland, Oregon
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2020

Federal Grantor	Federal Assistance Listing Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	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	\$ 15,100	\$ -	\$ 15,100
	Total 20.319 High-Speed Rail Corridors and Intercity Passenger Rail Service-Capital Assistance Grants		15,100	-	15,100
Federal Transit Cluster					
	20.500 Federal Transit Capital Investment Grants				
	Passed through:				
	Metro				
	Metro Streetcar TOD	936179	236,725	8,457	245,182
	Total 20.500 Federal Transit Capital Investment Grants		236,725	8,457	245,182
	20.507 Federal Transit_Formula Grants				
	Passed through:				
	Metro				
	RTO Active Portland	934628	34,516	36,235	70,751
	Active Portland: Open Streets, Connected Communities	933338	230	-	230
	RTO Active Transportation More Travel Options	936238	185,398		185,398
	TRIMET				
	162nd Av Access to Transit	GC2008345W	194,277		194,277
	TriMet Imprv Transit Bus Stops	OR-95-X008	35,107	-	35,107
	Total 20.507 Federal Transit_Formula Grants		449,528	36,235	485,763
	Total Federal Transit Cluster		686,253	44,692	730,945
Highway Safety Cluster					
	20.600 State and Community Highway Safety				
	Passed through:				
	ODOT Traffic Safety Division				
	ODOT TSC MOT 2019	PT-19-30-04	10,250	-	10,250
	OR Impact Pedestrian Safety	69A3751830000405HORO	8,304	-	8,304
	Oregon Impact Distracted Driver	69A375130000405EORC	13,826	-	13,826
	ODOT Speed Enforcement 2020	SE-20-35-05 888	54,300	-	54,300
	Oregon Impact Distracted Driving Enforcement Campaign	69A375130000405EORC	2,149	-	2,149
	Oregon Impact Pedestrian Safety Enforcement	69A3751830000405HORO	373	-	373
	Total 20.600 State and Community Highway Safety		89,202	-	89,202

City of Portland, Oregon
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2020

Federal Grantor	Federal Assistance Listing Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
	20.616	National Priority Safety Programs			
	Passed through:				
	ODOT				
	ODOT Safety Belt 2020	M1HVE-20-46-03 BBB	\$ 12,166	\$ -	\$ 12,166
	ODOT Safety Belt 2019	OP-19-45-03 VVV	13,475	-	13,475
	ODOT TSD Speed 2019	M8SC-19-35-05	17,268	-	17,268
	Total 20.616	National Priority Safety Programs	<u>42,909</u>	<u>-</u>	<u>42,909</u>
	Total Highway Safety Cluster		<u>132,111</u>	<u>-</u>	<u>132,111</u>
	20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated			
	Passed through:				
	ODOT/Oregon Impact				
	Oregon Impact Impaired Driving (DUII) 2020		27,690	-	27,690
	Oregon Impact DUII HVE 2019		10,218	-	10,218
	Total 20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	<u>37,908</u>	<u>-</u>	<u>37,908</u>
TOTAL DEPARTMENT OF TRANSPORTATION			16,046,398	44,692	16,091,090
CARES					
	21.019	Coronavirus Relief Fund			
	Direct Programs:				
	COVID-19 - Coronavirus Relief Fund	N/A	3,213,119	-	3,213,119
	Total 21.019	Coronavirus Relief Fund	<u>3,213,119</u>	<u>-</u>	<u>3,213,119</u>
TOTAL CARES			3,213,119	-	3,213,119
ENVIRONMENTAL PROTECTION AGENCY					
	66.818	Brownfields Assessment and Cleanup Cooperative Agreements			
	Direct Programs:				
	Prosper		24,200	-	24,200
	Brownfields Community Wide Assessment for Hazardous Substances and Petroleum	BF-01J23801-0	83,184	-	83,184
	EPA Brownfield 2011 Revolving Loan Fund-subfund 217011	BF-00J45201	3,006	200,000	203,006
	Total 66.818	Brownfields Assessment and Cleanup Cooperative Agreements	<u>110,390</u>	<u>200,000</u>	<u>310,390</u>
TOTAL ENVIRONMENTAL PROTECTION AGENCY			110,390	200,000	310,390

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2020

Federal Grantor	Federal Assistance Listing Number / Program Title / Pass Through Agency / Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	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	\$ 2,166,232	\$ -	\$ 2,166,232
Subtotal 97.036	Disaster Grants-Public Assistance		2,166,232	-	2,166,232
97.042	Emergency Management Performance Grants				
	Passed through:				
	Oregon Office of Emergency Management				
	2019 Emergency Management Performance Grant	19-541	341,905	-	341,905
	2018 Emergency Management Performance Grant	18-542	(853)	-	(853)
Total 97.042	Emergency Management Performance Grants		341,052	-	341,052
97.067	Homeland Security Grant Program				
	Passed through:				
	Oregon Office of Emergency Management				
	Urban Area Security Initiative 2015	15-170	(1,857)	-	(1,857)
	Urban Area Security Initiative 2016	16-170	25,742	122,109	147,851
	Urban Area Security Initiative 2017	17-170	1,636,268	199,406	1,835,674
	Urban Area Security Initiative 2018	18-170	784,730	66,334	851,064
	2018 State Homeland Security Program	18-248	4,955	-	4,955
	SHSP 2018 Joint State Bomb Teams Regional Project	18-247	30,700	-	30,700
	SHSP 2019 Joint State Bomb Teams Regional Project	19-256	13,931	-	13,931
	SHSP 2017 MEDU Joint State Bomb Teams Equip/Training Regional	17-231	124,356	-	124,356
Total 97.067	Homeland Security Grant Program		2,618,825	387,849	3,006,674
TOTAL DEPARTMENT OF HOMELAND SECURITY			5,126,109	387,849	5,513,958
Total expenditures of federal awards					\$ 108,045,241

City of Portland, Oregon
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

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, 2020. 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, 2020 consists of:

Federal Assistance Listing Number	Program Name	Outstanding Balance at June 30, 2020
14.239	U.S. Department of Housing and Urban Development HOME Investment Partnerships Program	\$ 67,829,215

Note 4 – Election of De Minimis Indirect Rate

During the year ended June 30, 2020, 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, 2020

Note 5 – Economic Adjustment Assistance Program

The City has an EDA revolving loan fund (RLF) under the Economic Adjustment Assistance Program, Federal Assistance Listing Number 11.307. According to the OMB *Compliance Supplement*, for purposes of completing the Schedule, each EDA RLF (Federal Assistance Listing Number 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, 2020, and the calculation is as follows:

Federal Assistance Listing Number	Program Name	Outstanding Balance at June 30, 2020
11.307	U.S. Department of Commerce Economic Adjustment Assistance Program – EDA revolving Loan Fund	\$ 2,617,435
	<u>Revolving Loan Fund Calculation</u>	
	Loans Receivable	868,935
	Cash	1,780,699
	Restricted Cash	-
	Administrative Costs	15,136
	Loan Write-Offs Unpaid Principal	-
		<u>2,664,770</u>
	Federal Participation Rate	98%
	Federal Share of Revolving Loan Fund	<u><u>\$ 2,617,435</u></u>

City of Portland, Oregon
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

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:

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
14.239	HOME Investment Partnerships Program	Unmodified
16.034	COVID-19 - Coronavirus Emergency Supplemental Funding Program	Unmodified
21.019	COVID-19 - Coronavirus Relief Fund	Unmodified
97.067	Homeland Security Grant Program	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$ 1,206,481

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

