



Reports of Independent Auditors and
Schedule of Expenditures of Federal Awards

**City of Portland, Oregon
Federal Grant Programs**

June 30, 2024

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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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 9, 2024.

Report on 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on 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*.

City of Portland, Oregon's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Portland, Oregon
December 9, 2024



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

Opinion on Each Major Federal Program

We have audited the City of Portland, Oregon's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2024. 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.

In our opinion, the City complied, in all material respects, with the 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, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the City as of and for the year ended June 30, 2024, and have issued our report thereon dated December 9, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



Portland, Oregon
December 9, 2024

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor	Federal Assistance Listing Number / Program Title/ Pass Through Agency / Identifying Name	Passthrough Number	Direct Expenditures	Pass Thru Expenditures to Sub Recipients	Total Federal Expenditures
U.S. Department of Agriculture Agricultural Marketing Services					
10.177	Regional Food System Partnerships				
Direct:					
	Regional Food System	N/A	\$ 56,158	\$ -	\$ 56,158
Total 10.177	Regional Food System Partnerships		56,158	-	56,158
10.558	Child and Adult Care Food Program				
Passed through:					
	ODOT				
	After School Meal Program	26 16026	48,743	-	48,743
Total 10.558	Child and Adult Care Food Program		48,743	-	48,743
Total U.S. Department of Agriculture Agricultural Marketing Services			104,901	-	104,901
U.S. Department of Commerce					
Economic Development Cluster					
11.307	Economic Adjustment Assistance				
Direct:					
	Pride Plaza	07-79-07923	13,527	-	13,527
	EDA Revolving Loan Fund	N/A	4,218,405	-	4,218,405
Total 11.307	Economic Adjustment Assistance		4,231,932	-	4,231,932
Total Economic Development Cluster			4,231,932	-	4,231,932
Total U.S. Department of Commerce			4,231,932	-	4,231,932
U.S. Department of Housing & Urban Development					
Community Development Block Grants/Entitlement Grants Cluster					
14.218	Community Development Block Grants/Entitlement				
Direct Program:					
	CDBG	N/A	2,548,370	4,266,877	6,815,247
Passed through:					
	City of Gresham				
	City of Gresham CDBG	N/A	6,107	-	6,107
	Multnomah County		-	-	-
	Multnomah County CDBG	N/A	5,443	-	5,443
Total 14.218	Community Development Block Grants/Entitlement		2,559,920	4,266,877	6,826,797
Total Community Development Block Grants/Entitlement Grants Cluster			2,559,920	4,266,877	6,826,797

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor	Federal Assistance Listing Number / Program Title/ Pass Through Agency / Identifying Name	Passthrough Number	Direct Expenditures	Pass Thru Expenditures to Sub Recipients	Total Federal Expenditures
14.231	Emergency Solutions Grants Program				
	Direct Program:				
	ESG	N/A	529,522		529,522
Total 14.231	Emergency Solutions Grants Program		<u>529,522</u>	-	<u>529,522</u>
14.239	HOME Investment Partnerships Program				
	Direct Program:				
	HOME	N/A	5,505,810	478,088	5,983,898
	HOME ARP 2021		35,051	1,470,617	1,505,668
	HOME Loan Balance		65,858,607	-	65,858,607
Total 14.239	HOME Investment Partnerships Program		<u>71,399,468</u>	<u>1,948,705</u>	<u>73,348,173</u>
14.241	Housing Opportunities for Persons with Aids				
	Direct Program:				
	HOPWA	N/A	-	1,783,928	1,783,928
Total 14.241	Housing Opportunities for Persons with Aids		-	<u>1,783,928</u>	<u>1,783,928</u>
14.251	Economic Development Initiative, Community Project Funding, and Miscellaneous grants				
	Direct Program:				
	CPF Fairfield Apartments 2023 Earmark	B-23-CP-OR-1243	-	1,900,000	1,900,000
Total 14.251	Economic Development Initiative, Community Project Funding, and Miscellaneous grants		-	<u>1,900,000</u>	<u>1,900,000</u>
14.267	Continuum of Care Program				
	Direct Program:				
	HMS 22-23	OR0025L0E012114	(1,175)	-	(1,175)
	HMS 23-24	OR0025L0E012215	39,496	-	39,496
Total 14.267	Continuum of Care Program		<u>38,321</u>	-	<u>38,321</u>
14.905	Lead Hazard Reduction Demonstration Grant Program				
	Direct Program:				
	Lead Hazard Reduction	ORLHD0439-20	361,508	566,158	927,666
Total 14.905	Lead Hazard Reduction Demonstration Grant Program		<u>361,508</u>	<u>566,158</u>	<u>927,666</u>
14.913	Healthy Homes Production Program				
	Direct Program:				
	Healthy Homes Production Grant 2022	ORHHP0104-23	235,376	203,725	439,101
Total 14.913	Healthy Homes Production Program		<u>235,376</u>	<u>203,725</u>	<u>439,101</u>
Total U.S. Department of Housing & Urban Development			75,124,115	10,669,393	85,793,508

U.S. Department of Interior

15.657	Endangered Species Recovery Implementation				
	Direct Program:				
	Environmental Education Program	F200AC10942-00	64,584	-	64,584
			64,584	-	64,584

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor	Federal Assistance Listing Number / Program Title/ Pass Through Agency / Identifying Name	Passthrough Number	Direct Expenditures	Pass Thru Expenditures to Sub Recipients	Total Federal Expenditures
15.904	Historic Preservation Fund Grants-In Aid				
	Direct Program:				
	HPF URC Survey & Nomination	P21AP11713-00	46,606	-	46,606
	Passed through:				
	State of Oregon				
	State Historic Preservation Grant	OR-22-14	110	-	110
			46,716	-	46,716
Total U.S. Department of Interior			111,300	-	111,300
U.S. Department of Justice					
16.738	Edward Byrne Memorial Justice Assistance Grant Program				
	Direct Program:				
	FY19 Justice Assistance Grant	2019-DJ-BX-0715	91,163	-	91,163
	FY20 Justice Assistance Grant	2020-DJ-BX-0666	271,097	-	271,097
	FY21 Justice Assistance Grant	15PBJA-21-GG-01763-JAGX	65,990	-	65,990
	FY22 Justice Assistance Grant	15PBJA-22-GG-02081-JAGX	83,120	-	83,120
	FY23 Smart Policing Initiative	15PBJA-23-GG-04156-JAGP	4,697	-	4,697
Total 16.738	Edward Byrne Memorial Justice Assistance Grant Program		516,067	-	516,067
16.752	Economic High-Tech and Cyber Crime Prevention				
	Direct Program:				
	Intellectual Property Crime Enforcement Program	15PBJA-21-GG-02816-INTE	75,080	53,653	128,733
	Intellectual Property Crime Enforcement Program	2018-IP-BX-0007	(6,439)	-	(6,439)
Total 16.752	Economic High-Tech and Cyber Crime Prevention		68,641	53,653	122,294
16.753	Congressionally Recommended Awards				
	Direct Program:				
	Byrne Discretionary Community Project Funding	15PBJA-23-GG-00143-BRND	15,469	-	15,469
	Byrne Discretionary Community Project Funding	15PBJA-22-GG-00136-BRND	39,094	-	39,094
Total 16.753	Congressionally Recommended Awards		54,563	-	54,563
16.833	National Sexual Assault Kit Initiative				
	Direct Program:				
	FY22 National Sexual	15PBJA-22-GG-03825-SAKI	363,979	-	363,979
	FY23 SAKI National Cold Case Initiative	15PBJA-23-GG-02272-SAKI	332,339	-	332,339
Total 16.833	National Sexual Assault Kit Initiative		696,318	-	696,318
Total U.S. Department of Justice			1,335,589	53,653	1,389,242

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor	Federal Assistance Listing Number / Program Title/ Pass Through Agency / Identifying Name	Passthrough Number	Direct Expenditures	Pass Thru Expenditures to Sub Recipients	Total Federal Expenditures
U.S. Department of Transportation					
20.205	Highway Planning and Construction				
	Direct Program:				
	Brentwood-Darlington	33097/30890/A013-G092418	(175,445)	-	(175,445)
			(175,445)	-	(175,445)
	Passed through:				
	Oregon Department of Transportation				
	Columbia Blvd ITS N/NE Project T00459	30517	(444,152)	-	(444,152)
	Downtown I-405 Ped Safety & Improvements	31092/30890	490,121	-	490,121
	Connected Cully, NE (T00460)	31091/18814	(36,858)	-	(36,858)
	Columbia Blvd: Cully Blvd & Alderwood R	31025/30890	175,207	-	175,207
	Regional Signal System CONOPS & Implement	31817/30890	40,749	-	40,749
	70's Neighborhood Greenway (T00537)	32301/30890	787,950	-	787,950
	North Rivergate Freight Project (T00458)	31626/30890	427,209	-	427,209
	Halsey Streetscape 65th-92nd (T00871)	33095/30890	(250,115)	-	(250,115)
	NW Thurman st. Emergency Relief 3469-348	32895/30890/A013-G092418	846,133	-	846,133
	All Roads Transportation Safety	32760/30890	123,870	-	123,870
	Barbur Sidewalk Infill (T00946)	33372/30890/A013-G092418	(62,105)	-	(62,105)
	Jade Montavilla Multimodal Improvements	33241	(746,106)	-	(746,106)
	Airport Way Arterial Corridor Management	33754/30890	(17,658)	-	(17,658)
	Barbur Blvd Caruthers (T00960)	33400/30890	548,845	-	548,845
	Thurman Bridge Paint (T00722)	33538/30890	170,269	-	170,269
	NE 12th Ave over 1-84 (T01005)	34020/30890	189,579	-	189,579
	Shattuck rd @ OR10 SW (T01105)	34874/30890/A014-G041620	130,848	-	130,848
	ARTS SE Flavel at SE 72nd Ave (T01107)	34875/73000-00004550	113,226	-	113,226
	MLK Blvd Safety & Access to Transit, NE	73000-00003357	70,096	-	70,096
	N Willamette Blvd ATC: N Rosa Parks Ave-	73000-00003992	478,861	-	478,861
	NE 122nd Ave Safety & Access Beech St -W	35223/73000-00003331	147,182	-	147,182
	Stark Washington Safety SE 92nd Ave to S	35222/73000-00003335	62,694	-	62,694
	Holgate 92nd Ave Traffic Signal	30890	64,679	-	64,679
	Local Traffic Signal Controller	30890	401,673	-	401,673
	Safe Routes to School Parkrose	HU-23-10-31	26,662	-	26,662
	82nd Ave Glisan and Davis Signals (T0121	30890/73000-00009529	250,384	-	250,384
	SE Division 148th-174th Ave	73000-00014246/30890	128,409	-	128,409
	NW Naito Parkway Rail Crossing	A014-G030122	21,825	-	21,825
	North Burgard Road Bridge Replacement (R	30890; KEY 23554	14,577	-	14,577
			4,154,054	-	4,154,054
Total 20.205	Highway Planning and Construction		3,978,609	-	3,978,609
20.530	Public Transportation Innovation				
	Direct Program:				
	Healthy and Reliable Transit Project	OR-2022-003-00	205,617	-	205,617
Total 20.530	Public Transportation Innovation		205,617	-	205,617

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor	Federal Assistance Listing Number / Program Title/ Pass Through Agency / Identifying Name	Passthrough Number	Direct Expenditures	Pass Thru Expenditures to Sub Recipients	Total Federal Expenditures
Federal Transit Cluster					
20.500	Federal Transit Capital Investment Grant				
	Passed through:				
	METRO				
	Metro Streetcar TOD	936179	10,000		10,000
Total 20.500	Federal Transit Capital Investment Grant		10,000	-	10,000
20.507	Federal Transit Formula Grants				
	Passed through:				
	METRO				
	RTO FY23-26 Portland Public Schools	938601	24,889	-	24,889
	RTO Active Transportation	938615	255,982	-	255,982
	DOT Commute Program Safety Development	938587	44,153	-	44,153
	RTO Safe Routes to School Parkrose	936202	(9,987)	-	(9,987)
Total 20.507	Federal Transit Formula Grants		315,037	-	315,037
Total Federal Transit Cluster			325,037	-	325,037
Highway Safety Cluster					
20.600	State and Community Highway Safety				
	Passed through:				
	ODOT				
	Oregon Impact TSO Speed Overtime Enforcement	69A375224000040200RO	24,470	-	24,470
	ODOT OR Impact Speed Grant 2023	69A375203000040200RO	6,894	-	6,894
	ODOT TSO PPB - ESL Driver Program FFY 23	69A375223000040200RO	56,211	-	56,211
Total 20.600	State and Community Highway Safety		87,575	-	87,575
20.616	National Priority Safety Programs				
	Passed through:				
	ODOT				
	Oregon Impact TSO DUII Overtime HVE	69A3752240000405DORM	21,322	-	21,322
	Oregon Impact TSO Distracted Driver	69A3752240000405EORC	32,314	-	32,314
	ODOT TSO Safety Belt Enforcement	M1HVE-24-46-16-00 018	20,572	-	20,572
	ODOT Oregon Impact Impaired Driving HVE 2023	69A3752030000405DORM	10,727	-	10,727
	ODOT Oregon Impact Distracted Driver Enforcement (DDEC) Grant 2023	69A3752030000405EORC	10,607	-	10,607
	ODOT TSO Safety Belt 2023	69A3752230000405BORH	277	-	277
Total 20.616	National Priority Safety Programs		95,819	-	95,819
Total Highway Safety Cluster			183,394	-	183,394
20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements				
	Direct Program:				
	Beyond Traffic Safety	693JJ92150023	69,480	-	69,480
Total 20.614	National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements		69,480	-	69,480
20.939	Safe Streets and Roads for All				
	Direct Program:				
	122nd Ave SSFA Foster to Steele SE	693JJ32440145	12,914	-	12,914
Total 20.939	Safe Streets and Roads for All		12,914	-	12,914

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor	Federal Assistance Listing Number / Program Title/ Pass Through Agency / Identifying Name	Passthrough Number	Direct Expenditures	Pass Thru Expenditures to Sub Recipients	Total Federal Expenditures
20.941	Strengthening Mobility and Revolutionizing Transportation Grants Program				
	Direct Program:				
	SMART Grant 2023	SMARTFY22N1P1G48	546,264	-	546,264
Total 20.941	Strengthening Mobility and Revolutionizing Transportation Grants Program		546,264	-	546,264
Total U.S. Department of Transportation			5,321,315	-	5,321,315
U.S. Department of Treasury					
21.016	Equitable Sharing				
	Direct Program:				
	Asset Forfeiture Equitable Sharing Funds	N/A	1,897,631	-	1,897,631
Total 21.016	Equitable Sharing		1,897,631	-	1,897,631
21.023	COVID-19 Emergency Rental Assistance Program				
	Direct Program:				
	COVID-19 Emergency Rental Assistance Program II	ERA0075	-	(13,774)	(13,774)
	COVID-19 Emergency Rental Assistance Program II	ERAE0159	370,225	2,071,925	2,442,150
	COVID-19 Multnomah ARP Rent Assistance	DCHS-IGA-E-16224-2024	363,705	-	363,705
Total	COVID-19 Emergency Rental Assistance Program		733,930	2,058,151	2,792,081
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds				
	Passed Through:				
	Oregon Department of Administrative Services				
	Taylors Ferry Rd @17th Ave SW	8201	117,015	-	117,015
	Southeast Portland Crosswalk Enhancement	8243	106,701	-	106,701
	Multnomah County				
	Multnomah County ARP Eviction Legal Defense	DCHS-IGA-E-16232-2024	294,893	1,592,804	1,887,697
	Direct Program:				
	COVID-19 American Rescue Plan	N/A	15,449,934	31,774,241	47,224,175
Total 21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds		15,968,543	33,367,045	49,335,588
Total U.S. Department of Treasury			18,600,104	35,425,196	54,025,300
U.S. Environmental Protection Agency					
66.818	Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements				
	Direct Program:				
	FY22 Brownfields Assessment Grant	4B-02J18401-0	172,974	-	172,974
Total 66.818	Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements		172,974	-	172,974

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor	Federal Assistance Listing Number / Program Title/ Pass Through Agency / Identifying Name	Passthrough Number	Direct Expenditures	Pass Thru Expenditures to Sub Recipients	Total Federal Expenditures
66.958	Water Infrastructure Finance and Innovation Act				
	Direct Program:				
	Water Infrastructure Finance and Innovation Act	N19125OR	76,281,980	-	76,281,980
Total 66.958	Water Infrastructure Finance and Innovation Act		<u>76,281,980</u>	<u>-</u>	<u>76,281,980</u>
Total U.S. Environmental Protection Agency			76,454,954	-	76,454,954
U.S. Department of Energy					
81.086	Conservation Research and Development				
	Direct Program:				
	Leveraging Utility Pole-Mounted Charges	DE-EE0010613	28,950	-	28,950
Total 81.086	Conservation Research and Development		<u>28,950</u>	<u>-</u>	<u>28,950</u>
Total U.S. Department of Energy			28,950	-	28,950
U.S. Department of Homeland Security					
97.039	Hazard Mitigation Grant				
	Pass Through				
	OEM				
	OEM Hazard Mitigation Grant Portland	HMGP-DR-4562-16-R-OR	99,282	-	99,282
	2018 HMGP: Forest Park Wildfire Mitigation	HMGP-FM-5195-17-R-OR	206,420	-	206,420
Total 97.039	Hazard Mitigation Grant		<u>305,702</u>	<u>-</u>	<u>305,702</u>
97.042	Emergency Management Performance Grants				
	Pass Through:				
	OEM				
	OEM Emergency Management Performance Grant	EMS-2023-EP-00005	194,172	-	194,172
	2021 Emergency Management Performance Grant	21-541	3,970	-	3,970
	2022 Emergency Management Performance Grant	22-539	(864)	-	(864)
Total 97.042	Emergency Management Performance Grants		<u>197,278</u>	<u>-</u>	<u>197,278</u>
97.044	Assistance to Firefighters Grant				
	Direct Program:				
	2021 Assistance to Firefighters Grant	EMW-2021-FG-02666	594,113	-	594,113
Total 97.044	Assistance to Firefighters Grant		<u>594,113</u>	<u>-</u>	<u>594,113</u>
97.045	Cooperating Technical Partners				
	Direct Program:				
	FY23 FEMA Cooperating Technical Partners	EMS-2023-CA-05004	9,306	-	9,306
Total 97.045	Cooperating Technical Partners		<u>9,306</u>	<u>-</u>	<u>9,306</u>

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

Federal Grantor	Federal Assistance Listing Number / Program Title/ Pass Through Agency / Identifying Name	Passthrough Number	Direct Expenditures	Pass Thru Expenditures to Sub Recipients	Total Federal Expenditures
97.067	Homeland Security Grant Program				
	Pass Through				
	OEM				
	Homeland Security Grant Program UASI 2022	22-170	212,561	-	212,561
	Homeland Security Grant Program UASI 2021	21-170	959,103	322,849	1,281,952
	SHSP 2022 MEDU	22-202	34,313	-	34,313
	SHSP 2021 MEDU	21-286	73,396	-	73,396
	Homeland Security Grant Program UASI 2019	19-170	(78,680)	-	(78,680)
	Homeland Security Grant Program UASI 2020	20-170	(30,783)	-	(30,783)
Total 97.067	Homeland Security Grant Program		<u>1,169,910</u>	<u>322,849</u>	<u>1,492,759</u>
97.083	Staffing for Adequate Fire and Emergency Response				
	Direct Program:				
	2021 Staffing for Adequate Fire and Emergency Response Grant	EMW-2021-FF-01402	1,036,470	-	1,036,470
Total 97.083	Staffing for Adequate Fire and Emergency Response		<u>1,036,470</u>	<u>-</u>	<u>1,036,470</u>
Total U.S. Department of Homeland Security			3,312,779	322,849	3,635,628
Total Federal Expenditures			\$ 184,625,939	\$ 46,471,091	\$ 231,097,030

See notes to schedule of expenditures of federal awards.

City of Portland, Oregon
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

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, 2024. 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, 2024 consists of:

Federal Assistance Listing Number	Program Name	Outstanding Balance at June 30, 2024
14.239	U.S. Department of Housing and Urban Development HOME Investment Partnerships Program	\$ 73,900,284

Note 4 – Election of De Minimis Indirect Rate

During the year ended June 30, 2024, the City did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

See schedule of expenditures of federal awards.

City of Portland, Oregon
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

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, *multiplied by*
4. 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.

See schedule of expenditures of federal awards.

City of Portland, Oregon
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2024

The figures used in this calculation to arrive at the RLF amount to be shown on the Schedule are as of June 30, 2024, and the calculation is as follows:

Federal Assistance Listing Number	Program Name	Outstanding Balance at June 30, 2024
11.307	U.S. Department of Commerce Economic Adjustment Assistance Program – EDA Revolving Loan Fund	\$ 4,218,405
		EDA Agreement #07-79-07618
	Loans Receivable	\$ 1,117,325
	Cash	318,361
	Administrative Costs	6,545
		1,442,231
	Federal Participation Rate	100%
	Federal Share of Revolving Loan Fund	\$ 1,442,231
		EDA Agreement #07-39-02259
	Loans Receivable	\$ 1,418,553
	Cash	1,350,056
	Administrative Costs	57,770
		2,826,379
	Federal Participation Rate	98%
	Federal Share of Revolving Loan Fund	\$ 2,776,174
	Total Federal Share of Revolving Loan Fund	\$ 4,218,405

See schedule of expenditures of federal awards.

City of Portland, Oregon
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

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>Federal Assistance Listing Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor’s Report Issued on Compliance for Major Federal Programs</i>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	Unmodified
66.958	Water Infrastructure Finance and Innovation Act	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee? Yes No

City of Portland, Oregon
Schedule of Findings and Questioned Costs
Year Ended June 30, 2024

Section II – Financial Statement Findings

None reported

Finding 2024-001 – Material Weakness in Internal Control Over Capital Assets

Criteria: U.S. generally accepted accounting principles (US GAAP) requires capital assets to be placed into service and subject to depreciation once construction is completed and the assets are operational and ready for their intended use. Once construction is completed, the related costs for the underlying project within the construction work in process account should be transferred to capital assets in service and depreciation should begin to be recognized.

Condition/Context: The City of Portland's Bureau of Transportation (PBOT) did not properly review, identify and transfer completed construction project costs to capital assets in service as of June 30, 2024 to align with the financial accounting and reporting requirements of US GAAP.

Cause: The City of Portland's Bureau of Transportation did not properly follow internal controls and require a timely review of construction work in process during the fiscal year ended June 30, 2024.

Effect: The City of Portland recorded a material audit adjustment to transfer finished project costs to capital assets in service, including a component to recognize depreciation expense on those projects not closed timely, and another component to recognize assets that were not capital in nature and were expensed in the period.

Recommendation: We recommend that the City of Portland evaluate its current practices and establish internal controls to require a periodic (at least annual) review of construction work in process to properly identify completed construction projects to close those to capital assets in service and recognize depreciation expense timely in line with US GAAP. This review should be formally documented in writing.

Views of responsible officials and planned corrective action: The Accounting division is actively working with PBOT financial staff to correct the outstanding issues relate to delayed close-out of capital projects and to enhance the protocols, practices, and training opportunities to prevent future issues.

Section III – Federal Award Findings and Questioned Costs

None reported

