



# MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 09/23/13)

## Board Clerk Use Only

Meeting Date: 12/12/13  
Agenda Item #: R.2  
Est. Start Time: 9:45 am  
Date Submitted: 11/26/13

**Agenda Title:** **Board Briefing on the County's Audited Financial Statements and External Audit Reports Along with the Auditor Recommendations to Management.**

*Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.*

**Requested Meeting Date:** December 12, 2013 **Time Needed:** 30 Minutes  
**Department:** Non-Departmental **Division:** Auditor's Office  
**Contact(s):** Judy Rosenberger, Auditor's Office  
**Phone:** (503) 988-3361 **Ext.**  **I/O Address:** 503/601/Auditor  
**Presenter Name(s) & Title(s):** Steve March, Auditor, Jim Lanzarotta, Moss Adams, Multnomah County Audit Committee represented by Courtney Wilton; et al

## General Information

### 1. What action are you requesting from the Board?

Board briefing for the external audit of the County's Comprehensive Annual Financial Report (CAFR), Component Unit Reports and the Report for the Schedule of Expenditures of Federal Awards for the year ended June 30, 2013. The financial reports can be accessed on the internet at:

<http://multco.us/finance/financial-reports>

### 2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The County's CAFR is a presentation of the County's financial statements for the fiscal year on a budgetary fund basis and on a government wide basis. The audit of the County's Schedule of Expenditures of Federal Awards (also known as a Single Audit) is a presentation of the County's total Federal expenditures for the fiscal year. The Single Audit provides assurance to management on our compliance with our Federal grant programs.

A few areas from the audit and their reports to highlight include:

1. The County received an unqualified (or clean) opinion from Moss Adams on the financial statements
2. Oregon Minimum Standards (OMS) Report:

- a. Over-expenditure in the General Fund – Sheriff’s Office
- b. Publication timeframe was not met for the notice of the Budget Committee meeting
- c. Late State Treasurer notification of opening new bank accounts – 2014 OMS finding
- 3. The auditors did not have any disagreements with management
- 4. There were not any material weaknesses noted
- 5. Two Significant Deficiencies in internal controls over financial reporting:
  - a. Capitalization of internally developed software in DCA (repeat finding from FY12)
  - b. Communication and timely data entry for grant billing on Highway Planning & Construction award in DCS
- 6. Two Significant Deficiencies in internal controls over compliance with Federal grant programs:
  - a. Personal expenses charged to the Aging Cluster grant program in DCHS
  - b. Time & Effort Reporting - Unsigned timesheets in the JAG grant program cluster in DCJ
- 7. Other auditor recommendations to management which Moss Adams will review

**3. Explain the fiscal impact (current year and ongoing).**

No fiscal impact.

**4. Explain any legal and/or policy issues involved.**

MC Code 3.503 requires the Audit Committee to ensure the final report is presented to the Board within 90 days of completion of the audit.

**5. Explain any citizen and/or other government participation that has or will take place.**

Per MCC 3.5, the Audit Committee includes four citizen members recommended by the Citizen Involvement Committee and one appointed by the Chair. The external auditors file the audited CAFR with the Secretary of State’s Office per state law.

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**Required Signature**

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**Elected  
Official or  
Department  
Director:**



**Date:** 11/7/13

*Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please insert date approved.*