



# MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS  
ROOM 605, COUNTY COURTHOUSE  
1021 S.W. FOURTH AVENUE  
PORTLAND, OREGON 97204

GLADYS McCOY • Chair • 248-3308  
PAULINE ANDERSON • District 1 • 248-5220  
GRETCHEN KAFOURY • District 2 • 248-5219  
CAROLINE MILLER • District 3 • 248-5217  
POLLY CASTERLINE • District 4 • 248-5213  
JANE McGARVIN • Clerk • 248-3277

AGENDA OF  
MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS  
FOR THE WEEK OF  
August 22 - 26, 1988

Tuesday, August 23, 1988 - 9:30 AM - Formal Item  
Followed by Informal Briefings . . . . . Page 2  
Tuesday, August 23, 1988 - 1:30 PM - Informal Meeting . . . . . Page 3  
Thursday, August 25, 1988 - 9:30 AM - Formal. . . . . Page 4  
1:30 PM - Work Session

Tuesday, August 23, 1988 - 9:30 AM

Multnomah County Courthouse, Room 602

Formal Agenda

1. In the matter of a public hearing concerning exceptions to Proposed Final Order for EMS Rule Violation on Ambulance Run #691/208769A - Continued from August 2

INFORMAL BRIEFING

1. Briefing to provide information to the Board about areas to be annexed and methodology of annexation for FY 1988-89 - Susan McPherson

Tuesday, August 23, 1988 - 1:30 PM

Multnomah County Courthouse, Room 602

INFORMAL

OK

1. Informal Review of Bids and Requests for Proposals:
  - a) Cardboard Voting Booths
  - b) Mattresses & Pillows, New and Refurbished
  - c) Professional Data Processing Services
2. Presentation of Internal Audit Report #3-88 - County Timekeeping & Payroll Practices - Anne Kelly Feeney
3. Informal Review of Formal Agenda of August 25

Thursday, August 25, 1988, 9:30 AM  
Multnomah County Courthouse, Room 602

Formal Agenda

CONSENT CALENDAR

DEPARTMENT OF ENVIRONMENTAL SERVICES

- NO. 7.
- C-1 Orders in the matter of accepting deeds for County Road Purposes from the following:  
a) Schwab Properties, Ltd. - SE Burnside Road  
b) Claud E. & Elsie I. Wilcox - Stone Road
- C-2 Order in the matter of accepting deed for Public Road Purposes from Clarence E. and Nancy E. Hartung - NE 156th Avenue

REGULAR AGENDA

DEPARTMENT OF ENVIRONMENTAL SERVICES

- pc.
- R-3 Order in the Matter of Offering to Surrender Jurisdiction to the City of Gresham a portion of Towle Avenue, County Road No. 767, lying within the corporate limits of the City of Gresham

DEPARTMENT OF HUMAN SERVICES

- R-4 Notice of Intent to apply to the State Community Services for the Chronic Arrearages Pilot Project, in the amount of \$95,975, which will demonstrate strategies for assisting low income persons to solve their household energy and financial problems by providing a comprehensive array of services to 100 Low Income Energy Assistance Program clients

DEPARTMENT OF JUSTICE SERVICES

- hoed in  
Dally  
Anderson
- R-5 Resolution in the matter of support to increase residents at the Multnomah County Restitution Center

PUBLIC CONTRACT REVIEW BOARD

(Recess as the Board of County Commissioners and reconvene as the Public Contract Review Board)

- OK R-6 Order in the Matter of Exempting From Public Bidding of the Purchase of Computer Graphics Adapter Boards by Specifying Verticom Model H16, a Brand Name

(Recess as the Public Contract Review Board and reconvene as the Board of County Commissioners)

ORDINANCES - NONDEPARTMENTAL

- OK R-7 First Reading - An Ordinance establishing a Funders Advisory Committee to provide interjurisdictional coordination and enhance the funding, delivery, and evaluation of emergency basic needs/community action services

Thursday Meetings of the Multnomah County Board of Commissioners are recorded and can be seen at the following times:

Thursday, 10:00 PM, Channel 11 for East and West side subscribers

Friday, 6:00 P.M., Channel 27 for Rogers Multnomah East subscribers

Saturday 12:00 PM, Channel 21 for East Portland and East County subscribers

-6-

Thursday, August 25, 1988 - 1:30 PM

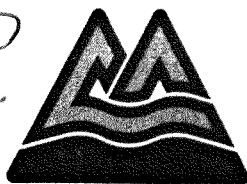
Blue Lake Lakehouse

Work Session

Work Session relating to the Strategic Planning Process

0397C.38-43

BIDS  
✓



# MULTNOMAH COUNTY OREGON

8/23/88  
Jmf #1 pm

DEPARTMENT OF GENERAL SERVICES  
PURCHASING SECTION  
2505 S.E. 11TH AVENUE  
PORTLAND, OREGON 97202  
(503) 248-5111

GLADYS McCOY  
COUNTY CHAIR

## MEMORANDUM

TO: Jane McGarvin, Clerk of the Board  
FROM: Lillie M. Walker, Director, Purchasing Section  
DATE: August 17, 1988  
SUBJECT: FORMAL BIDS AND REQUESTS FOR PROPOSALS SCHEDULED FOR INFORMAL BOARD

BOARD OF  
COUNTY COMMISSIONERS  
1988 AUG 17 PM 1:56  
MULTNOMAH COUNTY  
OREGON

The following Formal Bids and/or Professional Services Request for Proposals (RFPs) are being presented for Board review at the Informal Board on Tuesday, 8-23-88.

Bid/RFP No.	Description/Buyer	Initiating Department
B78-400-3072	Cardboard Voting Booths	ELECTIONS
	Buyer: Jan M. Goddard Ex. 5111	Contact: Ron Heaton Phone: 3720
B79-800-3007	Mattresses & Pillows, New & Refurbished	DJS
	Buyer: Jan M. Goddard Ex. 5111	Contact: Sgt. Wray Jacobs Phone: 255-3600
RFP# 8P0405	Professional Data Processing Services	DGS/ISD
	Buyer: Roger A. Bruno Ex. 5111	Contact: John Margaronis Phone: 3749

cc: Gladys McCoy, County Chair  
Board of County Commissioners  
Linda Alexander, Director, DGS  
Commissioner Caroline Miller/332

Copies of the bids and RFPs are available from the Clerk of the Board.

TO: DAILY JOURNAL OF COMMERCE

Please run the following Classified Advertisement as indicated below, under your "CALL FOR BID" section

**MULTNOMAH COUNTY**

Proposals Due: September 6, 1988 at 2:00 P.M.

Proposal No. B78-400-3072

Sealed proposals will be received by the Director of Purchasing, 2505 S.E. 11th Ave., Portland, OR 97202 for:

Cardboard voting booths

as per specifications on file with the Purchasing Director. No proposal will be received or considered unless the proposal contains a statement by the bidder as part of his bid that the requirements of ORS 279.350 shall be included. Multnomah County reserves the right to reject any or all proposals.

Specifications may be obtained at: Multnomah County Purchasing Section

2505 S.E. 11th Avenue

Portland, OR 97202

(503) 248-5111

Lillie M. Walker, Director  
Purchasing Section

PUBLISH: August 25, 26 & 29, 1988

AD2:PURCH2



TO: DAILY JOURNAL OF COMMERCE

Please run the following Classified Advertisement as indicated below, under your  
"CALL FOR BID" section

**MULTNOMAH COUNTY**

Proposals Due: September 6, 1988 at 2:00 P.M.

Proposal No. B79-800-3007

Sealed proposals will be received by the Director of Purchasing, 2505 S.E. 11th  
Ave., Portland, OR 97202 for:

Mattresses and Pillows, new and refurbished on a  
requirements basis for Detention Facilities only

as per specifications on file with the Purchasing Director. No proposal will be  
received or considered unless the proposal contains a statement by the bidder as  
part of his bid that the requirements of ORS 279.350 shall be included. Multnomah  
County reserves the right to reject any or all proposals.

Specifications may be obtained at: Multnomah County Purchasing Section  
2505 S.E. 11th Avenue  
Portland, OR 97202  
(503) 248-5111

Lillie M. Walker, Director  
Purchasing Section

PUBLISH: August 25, 26 & 29, 1988

AD2:PURCH2

T0:

DAILY JOURNAL OF COMMERCE

Please run the following Classified Advertisement as indicated below, under your "CALL FOR BID" section

MULTNOMAH COUNTY

Proposals Due: September 29, 1988 at 2:00 P.M.

Proposal No. RFP# 8P0405

Sealed proposals will be received by the Director of Purchasing, 2505 S.E. 11th Ave., Portland, OR 97202 for:

Professional Data Processing services. Multnomah County's

Information Services Division intends to establish a

qualified vendor list from which systems maintenance &

Development staff will be selected to work on County projects.

The desired staff levels are programmer, programmer/analyst,

senior programmer/analyst & systems consultant.

\*\*\*\*\*An OPTIONAL bidders conference will be on September 9, 1988,

at 9:00 AM, at Mult. Co. ISD, 4747 E. Burnside, Portland, OR.

Multnomah County reserves the right to reject any or all proposals.

Specifications may be obtained at: Multnomah County Purchasing Section

2505 S.E. 11th Avenue

Portland, OR 97202

(503) 248-5111

Lillie M. Walker, Director  
Purchasing Section

PUBLISH: August 25, 26 & 29, 1988

te Submitted

8-2-88

(For Clerk's Use)

Meeting Date \_\_\_\_\_

Agenda No. \_\_\_\_\_

*Audit Reports*  
*Studies & Reports*

REQUEST FOR PLACEMENT ON THE AGENDA

SUBJECT: AUDIT FOLLOW-UP REPORT

☒ Informal Only August 23, 1988  
(date)

☐ Formal Only \_\_\_\_\_  
(date)

Department Non-Departmental Division Auditor

Contact Anne Kelly Feeney Telephone 248-3320

(If informal, name of person making presentation)

Brief Summary (should include other alternatives explored, if applicable, and clear statement of rationale for the action requested):

Present Internal Audit Report #3-88 - County Timekeeping & Payroll Practices

REQUEST TIME CERTAIN

(IF ADDITIONAL SPACE IS NEEDED, PLEASE USE REVERSE SIDE)

ACTION REQUESTED:

☒ Information Only

☐ Preliminary approval

☐ Policy direction

☐ Approval

IMPACT:

☐ Personnel

☐ Fiscal/Budgetary

General Fund

Other \_\_\_\_\_

BOARD OF  
COUNTY COMMISSIONERS  
1988 AUG - 4 PM 1:02  
MULTNOMAH COUNTY  
OREGON

SIGNATURES:

Department Head or County Commissioner

*Anne Kelly Feeney*

Office of County Management

Office of County Counsel

(Ordinances, resolutions, agreements, contracts)

Department of Administrative Services

(Leases, surplus property, space, purchasing, etc.)

Department of Intergovernmental Relations

(Items with impact on other jurisdictions)



**MULTNOMAH COUNTY OREGON**

## **Office of the County Auditor**

**Anne Kelly Feeney  
County Auditor**

***INTERNAL AUDIT REPORT #3-88***

**COUNTY TIMEKEEPING  
AND PAYROLL PRACTICES**

**DEPARTMENT OF GENERAL SERVICES**

**JULY 1988**

**ISSUED BY:**

**ANNE KELLY FEENEY**

**Multnomah County Auditor  
1120 S.W. 5th - Room 1500  
Portland, Oregon 97204  
(503) 248-3320**



**ANNE KELLY FEENEY**

COUNTY AUDITOR  
ROOM 1500  
PORTLAND BUILDING  
PORTLAND, OREGON 97204  
(503) 248-3320

## **MULTNOMAH COUNTY OREGON**

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August 2, 1988

TO: Gladys McCoy,  
County Chair

Linda Alexander, Director  
Department of General Services  
Pauline Anderson, Commissioner  
Polly Casterline, Commissioner  
Gretchen Kafoury, Commissioner  
Caroline Miller, Commissioner

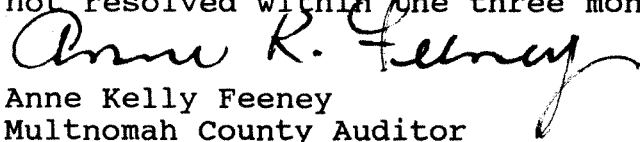
RE: Payroll & Timekeeping Practices Within  
Multnomah County

The attached Internal Audit Report (IAR #3-88) concerns payroll and timekeeping practices within Multnomah County.

To summarize, our review identified a need to make improvements in the systems of internal control and provide for more standardization in payroll and timekeeping practices throughout the County. Our audit further recommends that responsibility for all payroll and timekeeping activities be centrally administered by the Department of General Services.

Recommendations contained in this report have been discussed with the appropriate management personnel.

We look forward to a written response from the Chair or her designee within three months, stating what actions will be taken to resolve issues raised in this report. We will expect a periodic written status report thereafter for any items that are not resolved within the three month timeframe.

  
Anne Kelly Feeney  
Multnomah County Auditor

Attachment

Audit Team: Craig Mills, Project Manager  
Jim Pitts, Operational Auditor

AKF/db

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## SUMMARY OF RECOMMENDATIONS

### RECOMMENDATION # 1

RESPONSIBILITY FOR COUNTY WIDE PAYROLL PRACTICES SHOULD BE ASSIGNED TO THE DEPARTMENT OF GENERAL SERVICES.

### RECOMMENDATION # 2

THE DEPARTMENT OF GENERAL SERVICES SHOULD MORE CLEARLY DEFINE RESPONSIBILITIES, ACCOUNTABILITY AND INTERRELATIONSHIPS NECESSARY BETWEEN EMPLOYEE ANALYSTS AND CENTRAL PAYROLL.

### RECOMMENDATION # 3

USE OF 'ON-LINE' TERMINALS FOR ATTENDANCE REPORTING SHOULD BE CONSIDERED.

### RECOMMENDATION # 4

ESTIMATES OF ATTENDANCE WHEN REPORTING HOURS WORKED SHOULD BE DISCONTINUED.

### RECOMMENDATION # 5

DEPARTMENTAL SUPERVISORS SHOULD BE REQUIRED TO DOCUMENT THEIR REVIEW AND CONTROL OF TIME REPORTED FOR PAYMENT.

### RECOMMENDATION # 6

THE COUNTY SHOULD DEVELOP AND ADOPT A CENTRALIZED, COMPREHENSIVE APPROACH FOR MONITORING ABSENTEEISM AND SICK LEAVE USAGE.

### RECOMMENDATION # 7

SPECIFIC GUIDELINES SHOULD BE DEVELOPED TO INSURE THE TIMELY HANDLING AND PROCESSING OF PERSONNEL ACTIONS THROUGHOUT THE COUNTY.

### RECOMMENDATION # 8

THE COUNTY SHOULD ADOPT POLICY AND PROCEDURES WHICH REQUIRE AND INSURE THAT AUTOMATED PAYROLL REPORTS ARE USED AND REVIEWED BY APPROPRIATE PERSONNEL.



RECOMMENDATIONS (CONTINUED)

RECOMMENDATION # 9

COUNTY POLICY CONCERNING THE ACCRUAL, USE AND RECORDING OF COMPENSATORY TIME SHOULD BE CLARIFIED AND COMMUNICATED TO EMPLOYEES.

RECOMMENDATION # 10

CENTRAL PAYROLL SHOULD DISCONTINUE THE PRACTICE OF PROCESSING FINAL PAYROLL CHECKS WITHOUT SPECIFIC WRITTEN AUTHORIZATION.

RECOMMENDATION # 11

CENTRAL PAYROLL SHOULD DISCONTINUE THE PRACTICE OF ALLOWING TIMEKEEPERS AS WELL AS INDIVIDUALS TO PICK UP PAYROLL CHECKS AT CENTRAL PAYROLL.

RECOMMENDATION # 12

THE COUNTY SHOULD CONSIDER ISSUANCE OF PAYROLL ON A SEMI-MONTHLY BASIS.

RECOMMENDATION # 13

THE COUNTY SHOULD DISCONTINUE THE PRACTICE OF MAILING NOTIFICATIONS OF DIRECT DEPOSIT TO EMPLOYEES AT THEIR HOMES.

RECOMMENDATION # 14

A BETTER ROTATION AND SEGREGATION OF DUTIES WITHIN THE CENTRAL PAYROLL AREA SHOULD BE ESTABLISHED.

RECOMMENDATION # 15

IMPROVEMENTS IN THE MANNER IN WHICH TEMPORARY PERSONNEL ARE REFLECTED ON THE AUTOMATED PAYROLL SYSTEM SHOULD BE CONSIDERED.

**INTERNAL AUDIT REPORT  
COUNTY TIMEKEEPING AND PAYROLL PRACTICES**

**INTRODUCTION**

Our review of Multnomah County's payroll and timekeeping practices was undertaken as part of our regularly scheduled annual audit plan. The focus of much of our analysis paralleled that of audit work completed in 1982. The report provides recommendations which we feel will improve internal controls and promote more efficiency in operations.

The audit was conducted in accordance with generally accepted governmental auditing standards but was limited to those areas specifically identified in the audit scope and outlined in the following paragraphs.

**AUDIT SCOPE**

The primary objective of the audit was to evaluate internal financial and administrative controls covering payroll and timekeeping functions in the County. We further evaluated the effectiveness and efficiency of the County's payroll processes and the extent of compliance with key regulatory statutes. As a result of audit fieldwork we were also able to identify the extent to which departments were utilizing the automated payroll system.

The audit reviewed timekeeping and payroll practices between the periods of January and May of 1988.

Audit tests specifically included a judgmental sample of a representative group of County timekeepers, Central Payroll staff and associated personnel.

The audit did not specifically address the automated payroll system controls or administrative and record-keeping duties associated with employee benefits maintenance.

## **BACKGROUND**

Responsibility for the administration of the County's payroll and timekeeping activities is focused within the Finance Division in the department of General Services. This responsibility is widespread throughout the County and involves various levels of managers, supervisors and timekeepers working at many different locations. Personnel primarily involved in the payroll process include eighty-one timekeepers, a Central Payroll staff of three, and four personnel analysts.

Payroll information is maintained on an automated payroll system implemented in August 1982. The Central Payroll area handles approximately 2,400 payroll transactions per payroll period. Activities of Central Payroll center on the input and maintenance of file information on the automated system. Central payroll also distributes payroll checks and informational reports to the departmental timekeepers and provides technical support concerning payroll system usage. County payroll is distributed on a bi-weekly basis.

While the issuance of payroll checks is centralized within the Finance Division, many of the controls, operations and procedures are decentralized to the individual County departments.

The payroll process is initiated when the individual departments hire personnel. Departmental managers, through their respective timekeepers, provide this data to the Employee Services Division using the "Personnel Data Form". Authorization, as well as other relevant data required by Central Payroll, is provided on this document.

This information is reviewed by the analysts and forwarded to central payroll for input into the automated system. The input

of information formally establishes the employee on the County's payroll and enables subsequent payroll distribution.

After the employee is established on payroll, most payroll activity involves routine reporting of attendance and subsequent payment for time worked. This activity is generally initiated by timekeepers within the departments who submit attendance records to Central Payroll. Attendance is reported on a bi-weekly basis through usage of the "Time and Attendance Report" (TARS). Departmental timekeepers assume responsibility for the accuracy and completeness of reported time. The TARS also provides data concerning absenteeism, payroll expense classification and vacation usage. County employees may choose to be paid by check or by direct deposit to their financial institution. In the case of direct deposit, a deposit notification is provided to the employee.

Central Payroll reviews payroll generated to insure all data has resulted in the issuance of appropriate amounts. Several system generated edit reports assist central payroll and the departments in performing this review. Payroll checks and several informational reports are generally picked up by designated department personnel on the Friday following the reporting of payroll data. Deposit notification is mailed directly from the data center to the employee's home.

Department timekeepers and Central Payroll are also provided with several automated reports which summarize transactions and activity and help to identify possible errors. The accuracy and reasonableness of both data input and reported payroll time is insured by monitoring these reports.

Copies of reports and completed TARS are maintained within Central Payroll. Copies are also maintained within the departments.

Transactions other than routine reporting of employee attendance may require review and approval by an Employee Services analyst. This review usually occurs prior to data input by Central Payroll and following the initial request for the action by the department. The review acts as a control over the reasonableness of these activities. Transactions of this nature include new hires, employee terminations, promotional increases and job classification changes.

## AUDIT CONCLUSIONS

Our audit identified several areas of concern with payroll and timekeeping practices. Weaknesses exist in many of the procedures utilized to insure that payroll is appropriately authorized and distributed within the County. These weaknesses indicate a need to improve the systems of internal control currently in place. The audit also identified specific inefficient practices and operating conditions that hamper effective payroll processing.

While tests indicate that many of these concerns have not materially impacted the payroll data base or resulted in any identified misappropriation or incorrect payments, they do represent system weaknesses which, left unaddressed, could impair the accuracy of payroll within the County.

Apart from our identified concerns, we found the payroll system has generally been maintained accurately. We believe this points to the conscientious and sustained effort provided by many personnel throughout the County.

Among the concerns identified by the audit was the fact that many of the issues addressed in this report were not new to County management. In some cases our findings had been previously identified in audits or had already been long recognized as problem areas by management. In our opinion, the fact that these problem areas have not been corrected points to the general ineffectiveness of the current decentralized approach for controlling and addressing payroll matters. The County must provide better central control and monitoring to effectively address many of these concerns. More importantly, the control must be supported by a level of authority necessary to take and insure corrective action.

Establishing stronger central control to address County wide concerns represents the major challenge facing management.

We found there was no single, clearly defined and fully accountable organizational entity having authority over all County payroll and timekeeping practices. Instead, there exists a myriad of different timekeeping, record-keeping and payroll practices often unique to their own organization. These procedures tend to respond to the individual departmental needs rather than the organization as a whole. In our opinion, many of these practices are shortsighted in application with only secondary attention given to overall County objectives. The lack of centralized monitoring and control over practices has resulted in an operating culture that has often compromised internal control, created inefficiencies, and resulted in inconsistent use of resources.

Other concerns identified by our review include a need to orient departments toward full use of the automated payroll system. Doing this may require the County to enhance the current system in order to meet all user needs.

Clarification of Employee Services analyst's and central payroll responsibilities in insuring the accuracy and appropriateness of payroll actions should also be a priority. Clearer definition of each of these groups' organizational roles is needed. Improving the means of measuring accountability for each of these areas should also be addressed.

Monitoring employee attendance, time off from work, and absenteeism must also be given high priority for corrective action. While department supervisory personnel ultimately assume responsibility in this area, monitoring of activities as well as providing information to the departments should be centrally administered. In addition, the current practice of estimating



employee attendance in order to meet payroll processing deadlines, potentially compromises the integrity of issued payroll and should be discontinued.

The audit deals with a number of issues that were difficult to measure in terms of their impact. To what extent can the automated payroll system be better utilized? How much productivity will be lost if we continue to handle payroll activities in an incongruous manner throughout the organization? What is the operating risk when controls and procedures are not standardized? Each of these are questions which County management should seek to answer.

This report addresses matters which, left unresolved, increase the potential for payroll errors, abuse and operational inefficiencies. Without appropriate control systems in place and some degree of process standardization the potential for problems to occur remains high.

## **AUDIT RECOMMENDATIONS**

### **Recommendation # 1**

County wide responsibility and accountability for payroll handling and timekeeping should be assigned within the Department of General Services. The function should be accountable for monitoring the accuracy and reasonableness of all attendance reporting, internal control systems and operational procedures. The responsible entity should be provided with the appropriate authority to make changes, address concerns and insure ongoing compliance with policies.

Our review identified many examples of operational practices unique to an organization. Procedures often included extensive and in our opinion unnecessary photo-copying of records, use of organizationally unique time recording documents and the ongoing recording of payroll information which in many cases was already made available by the automated system.

A complete survey of current practices within the County is required. The extent of work duplication, unnecessary record keeping and inappropriate procedures should also be evaluated. An ongoing review of changes made, and adopted payroll and timekeeping practices should be implemented to insure corrective action is achieved.

### **Recommendation # 2**

Management should more clearly define responsibilities, accountability and interrelationships necessary between Employee analysts and Central Payroll in carrying out monitoring and control responsibilities associated with payroll processing.

At present, these relationships and responsibilities are not clearly defined or understood. This has resulted in duplication of control objectives, inconsistency in practices, and development of gaps in the administration of control.

Central Payroll and Employee Services should have independent roles in insuring the accuracy and appropriateness of personnel action. Each should provide oversight of the other to insure that proper checks and balances and internal control exists. Departmental personnel should be informed of the defined roles and not be allowed to circumvent control processes identified for each of these areas.

#### Recommendation # 3

Management should consider allowing department timekeepers at designated locations to handle attendance reporting by means of 'On-line' terminals. Field access to the automated payroll system should be accomplished by using restrictive screens and/or pass-word identification.

Supervisory authorization of reported hours should continue to be provided to central payroll prior to payroll issuance. The primary benefits of this practice would be to eliminate the unnecessary duplication of activities, and excessive handling and copying of time sheets which currently exists. 'On-Line' terminal access would also give departments the ability to access data for informational purposes in a more timely manner. Implementation should result in a more efficient reporting process, eliminating time lost through the transit of documentation to Central Payroll.

#### Recommendation # 4

Estimates of time worked by County employees and reported by departmental timekeepers should be discontinued. Under the current system TARS are due at Central Payroll every other Friday. To meet this deadline, TARS are prepared before the end of the pay period. Usually estimates are made for Thursdays and Fridays. In some cases however, the estimation of time begins as early as Tuesday. Time estimates seriously compromise the integrity of payroll. This practice can be corrected through implementation of on-line attendance reporting. In the interim, we propose extending the deadline for submitting TARS to the Monday following the end of the payroll period.

#### Recommendation # 5

The County should require departmental supervisors to document their review and control of time reported. Current practice often involves reporting hours on time sheets without benefit of either employee or supervisory verification of hours worked. The County should implement appropriate procedures to insure that this review occurs, is properly documented, and is performed by the appropriate level of personnel. Department timekeepers should not be held accountable for the reasonableness of hours worked or benefits claimed. Supervisors should assume this responsibility.

We also noted that methods used to record time worked vary significantly throughout the County. In some cases the source document for recording time did provide a means of supervisory control, but the assurance provided using many different practices is difficult to collectively monitor or control. Uniformity in timekeeping practices should be required.

#### Recommendation # 6

The County should develop and adopt a centralized, comprehensive approach for monitoring and controlling absenteeism and sick leave usage. A single County wide policy is needed that clearly defines excessive absenteeism and provides for progressive discipline for identified abuse. Accountability and authority necessary for administration of policy should be located within a central administrative group.

Our analysis of trends in sick leave use suggests that Multnomah County exceeds national averages. The analysis further indicates that usage occurs in predictable patterns, and includes specific groups and individuals which can be identified as high users.

Addressing this issue should include changing the payroll system data base to allow accurate automated tracking of the frequency and amount of sick leave use by employee and organizational unit. Further, under the current system the County has no way to collectively monitor high sick leave use as defined by Union agreements. This information should not only be tracked by a central administrative group but also be provided to department managers.

By taking a comprehensive and centralized approach to monitoring and controlling excessive absenteeism the County can better insure consistency and fairness in practices and control over abuse.

#### Recommendation # 7

A policy is needed that provides specific guidelines for handling personnel actions in a timely manner. The policy should especially address new hires, terminations, promotional increases and changes in job classification.

The policy should place responsibility for timely processing specifically with department managers and be monitored centrally to insure compliance.

Our audit identified many examples of untimely handling of these transactions. Primarily, this was due to departmental inability to provide required documentation to Employee Services analysts in a timely manner.

To improve control over the timely handling of anniversary salary increases, the payroll system report that identifies anniversary increase eligibility should be enhanced to show the specific date the increase is due. The report should be distributed to managers and a centrally defined group for monitoring purposes. The report should include those employees where action is pending and be distributed at least 30 days before action is required.

#### Recommendation # 8

County management should adopt policy and procedures to require and insure that automated payroll reports and certain general ledger financial system (LGFS) reports concerning payroll are used and reviewed by appropriate personnel. Procedures should be defined which require review by supervisory personnel. The review should be segregated from timekeeping personnel directly involved in the reporting of payroll information. The review process should be clearly documented.

Review of these reports provides a primary control over the accuracy of data submitted and processed. Examples of these reports include the "Payroll Register", "Active Employees Hours Report", "LGFS Budgetary Expenditures" (concerning payroll expense allocation) and the "Hours Register".

Our review indicated that usage of these reports was generally lacking throughout the departments. Supervisory personnel were also seldom involved in reviewing responsibilities.

Recommendation # 9

County policy concerning accrual, use and recording of compensatory time should be clarified and communicated to employees. Procedures should be standardized throughout the County. It is important that accrual and usage be carefully monitored to insure consistent application and compliance with statutes.

Review of departmental documentation indicates the County may not always be in compliance with the "Fair Labor Standards Act". Further, record keeping of compensatory time accrued and taken varies greatly among the departments suggesting inconsistent policy application. The decentralized control environment diminishes the County's ability to provide assurance that appropriate practices are followed.

In addition to clarifying and communicating County policy, a central means of control should be considered. This would most appropriately include modifying the automated payroll system to allow recording and review of data by a central organizational unit.

Recommendation # 10

Central Payroll should discontinue the practice of processing final payroll checks without specific written authorization. The County should also adopt a policy regarding the managerial level necessary to authorize final payroll for terminating personnel. Adopted policy should also establish the level of written authorization required to extend payroll beyond termination. The

potential of abuse or inconsistency in application is high in this area. The practice of extending payroll beyond termination, while not widespread, has reportedly taken place within the County.

#### Recommendation # 11

Central Payroll should discontinue the practice of allowing timekeepers as well as individual personnel to pick up payroll checks. This practice is disruptive to operations within Central Payroll, compromises appropriate control, and is generally inefficient.

Current practice requires Central Payroll to maintain an authorization file for those timekeepers who pick up payroll checks. The file is not current and is difficult to maintain. Also, no authorization is obtained for the individuals who pick up checks. Having an authorization control provides a way to insure that only appropriate persons receive checks.

Payroll check delivery is a key means of providing control over the existence of a "ghost employee" (an employee on the payroll who does not exist). This control is best achieved when there is a proper segregation of activities between timekeeper's duties and check delivery.

We do not advocate the delivery of all payroll checks by central payroll in order to address this matter. However, an alternative might include delivery to a select group of departmental personnel other than timekeepers. These personnel could maintain needed authorizations and provide for the distribution of individual checks.



#### Recommendation # 12

The County should consider implementing a semi-monthly payroll distribution as opposed to the current bi-weekly distribution. Implementation would eliminate a minimum of two payroll periods within a fiscal year. The action would reduce processing costs associated with Information Services Division computer time, and lessen administrative handling by Central Payroll and timekeeping personnel within the departments.

Our analysis of costs in this area suggest that a savings of approximately \$25,000 annually would occur with this change.

#### Recommendation # 13

The County should discontinue the practice of mailing notifications of direct deposit to employees at their homes. An alternative practice would be to distribute the notifications to employees at their job site through inter-departmental mail. Implementation of the alternative practice would reduce costs associated with the mailing of notifications.

#### Recommendation # 14

An ongoing training plan should be developed for Central Payroll personnel which allows for the periodic rotation of work duties. Doing so would fully develop the capabilities of Central Payroll staff and insure a continuation of service in the event of unplanned staffing changes. Further, we noted that appropriate segregation of activities was not always present within this operation. Duties associated with the input and approval of data should be separated from the reviewing function. Lack of proper segregation of duties can compromise the effectiveness of control procedures and increase the risk of error or abuse.

#### Recommendation #15

The County should consider improving the manner in which temporary personnel are reflected on the automated payroll system. Currently, these personnel are identified only as "temporary workers". This change will allow for a better means of monitoring the appropriateness of salary ranges in relation to the duties assigned to these employees. Employee analysts who are charged with reviewing the reasonableness of salary for new hires could more easily monitor salary criteria if specific job duties were included in automated system descriptions.



## GLADYS McCOY, Multnomah County Chair

Room 134, County Courthouse  
1021 S.W. Fourth Avenue  
Portland, Oregon 97204  
(503) 248-3308

August 1, 1988

Anne Kelly Feeney  
Multnomah County Auditor  
106/1500

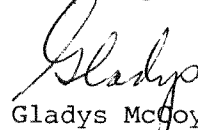
RE : Internal Audit Report #3-88

Dear Anne:

Attached is a letter from Linda Alexander, Director Department of General Services, in response to IAR #3-88 regarding payroll and timekeeping practices within Multnomah County. Her letter addresses all issues in your report. However, since many of the deficient conditions reported have direct and indirect impact county-wide, I am directing my full management team to make every effort to resolve these issues. More definitive comments regarding corrective action will be contained in the periodic follow-up reports.

Please accept my thanks to you and your staff for the thorough work done on this audit.

Sincerely,

  
Gladys McCoy  
Multnomah County Chair

GM:ddf  
Enclosure



# MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS  
GLADYS MCCOY, CHAIR  
PAULINE ANDERSON  
POLLY CASTERLINE  
GRETCHEN KAFOURY  
CAROLINE MILLER

DEPARTMENT OF GENERAL SERVICES  
PORTLAND BUILDING  
1120 SW FIFTH, 14TH FLOOR  
PORTLAND, OR 97204-1934  
(503) 248-3300

OFFICE OF THE DIRECTOR	(503) 248-3303
PLANNING AND BUDGET	(503) 248-3883
COUNTY COUNSEL	(503) 248-3138
EMPLOYEE SERVICES	(503) 248-5015
FINANCE	(503) 248-3312
LABOR RELATIONS	(503) 248-5135

## MEMORANDUM

TO: Anne Kelly Feeney, Multnomah County Auditor

THROUGH: Gladys McCoy, Multnomah County Chair

FROM: Linda D. Alexander, Director  
Department of General Services *Linda D. Alexander*

DATE: July 29, 1988

SUBJECT: Response to Internal Audit Report #3-88

Thank you for the opportunity to respond to the referenced audit report before its official release. After consulting with Employee Services and Finance Divisions, I am submitting the following response.

### RESPONSE TO PAYROLL AND TIMEKEEPING AUDIT

#### Recommendation #1:

Responsibility for Countywide payroll practices should be assigned to the Department of General Services.

#### Response:

Due to the County's organizational structure and decentralized locations, it is impossible for the Department of General Services to be held accountable for timekeeping and payroll practices in departments other than the Department of General Services. We concur that procedures and policy should be formulated by the Department of General Services, but it is the responsibility of departmental managers and supervisors to ensure that adopted procedures and policies are followed.

The Finance and Employee Services Divisions will revise the Timekeepers' Manual by June 30, 1989. The manual will include sections on accountability, internal controls and operational procedures as they relate to payroll and timekeeping. This document will be titled "Payroll and Timekeeping Rules." Departments will be requested to participate in the development of these rules and when completed, an Executive Order will be prepared giving Finance the authority to review departmental procedures to ensure that all County departments comply with the Payroll and Timekeeping Rules.

The audit has established that work duplication, unnecessary record keeping and different practices exist. Therefore, it is felt that an additional survey to determine the existence of such problems is not required.

**Recommendation #2:**

The Department of General Services should more clearly define responsibilities, accountability and inter-relationships necessary between Employee Services Analysts and Central Payroll.

**Response:**

This problem was identified during the Department of General Services annual planning process in May 1988 and is included in the 1988-89 DGS work plan; it will be addressed in projects to be completed by June 30, 1989. At a minimum, we will include sections in the Payroll and Timekeeping Rules to clarify and define the accountabilities, relationships and flow of information between the Payroll Section and the Employee Services Division.

**Recommendation #3:**

Use of on-line terminals for attendance reporting should be considered.

**Response:**

Finance is currently working with the Sheriff's Office and Information Services Division to install an on-line time and attendance reporting system (SOTARS) for the Sheriff's Office that allows for field access and input. Once this system is operational, Finance will evaluate the needs of other County Departments and determine if it is feasible for countywide application. The evaluation and feasibility study of the countywide application is anticipated to be completed by June 30, 1989. If it is determined that the system is useful countywide and that resources are available for programming and operations, the installation process will be done in a deliberate manner to ensure that:

1. Internal controls are in place.
2. County employees are paid accurately.
3. Appropriate management and financial reports are generated.

**Recommendation #4:**

Estimates of attendance when reporting hours worked should be discontinued.

Response:

The current deadline for submitting time and attendance reports to Central Payroll is 12 p.m. every other Friday. The practice of estimating time as early as Tuesday is internal policy established by other County departments for their own departmental purposes.

Finance will work with the departments to streamline time and attendance reporting and determine if it is possible to change the deadline for submitting time and attendance reports so that the estimating of hours worked is eliminated or reduced to a minimum. This project will be completed by March 31, 1989. The Timekeepers Rules will incorporate acceptable procedures for recording and submitting time and attendance reporting. However, the departments may need to streamline their own internal review processes to ensure the elimination of time estimating.

Recommendation #5:

Departmental supervisors should be required to document their review and control of time reported for payment.

Responses to Recommendations #5, #8, #9 and #15:

Recommendation #8 suggests that the County ensure that payroll reports are used. The MSA payroll and LGFS financial systems currently provide reports to management to assist them in monitoring payroll/personnel activity. It is the responsibility of departmental managers and supervisors to review and monitor these reports to ensure that they are accurate.

Included in the DGS 1988-89 work plan and budget are major improvements to the LGFS system. These improvements will include better reporting and tie-in of general ledger and payroll information.

To be sure that the departments are aware of and can use the payroll/personnel reports, the Department of General Services will include in the Payroll and Timekeeping Rules, sections detailing policy and procedure as it relates to the following:

1. Supervisory documentation and approval process.
2. Procedures on reviewing and reconciling payroll reports to the Local Government Financial System reports (LGFS).
3. Policy and procedures on the use of accrual and recording of compensatory time.
4. Instructions on how to complete personnel data forms to clearly identify the job assignment of "temporary workers".

**Recommendation #6:**

The County should develop and adopt a centralized, comprehensive approach for monitoring absenteeism and sick leave usage.

**Response:**

It is possible that Multnomah County may exceed average sick leave use because of the way in which our bargained policy differs from typical ones. In the County, sick leave can be used for caring for other members of the employee's household. It also may be used for medical, dental and Employee Assistance Program appointments for employees and members of their households. Few employers have a sick leave policy as generous as Multnomah County's, so legitimate sick leave use by our employees may be higher than for employers who only allow for illness of the employee.

For employees covered by the Local 88 contract, excessive absenteeism or high sick leave use is defined (Article 9, Section 3a). High sick leave use is not the same, however, as sick leave abuse. There are many legitimate ways employees can meet the definition of a high sick leave user. That is why the contract allows, instead of requires, certain management actions. We believe that it is the role of program managers to identify and control sick leave abuse among their employees.

The role of the Department of General Services is to provide the information and policy necessary to aid the program managers in their responsibility to manage employee sick leave. The decision to track time, including sick leave, by payroll period was made by County managers at the time MSA was selected as the vendor for the personnel/payroll system. This decision means that all the information needed to identify sick leave patterns is not available on an automated, centralized basis.

As part of the June 30, 1989 evaluation of the Sheriff's Office timekeeping system (SOTARS), the Finance, Employee Services and Information Systems Divisions will complete an evaluation of this system. This evaluation will report on the costs and benefits of changing the time reporting system to track sick leave use by type and occurrence that will meet requirements as defined by County Departments, Finance and Employee Services.

**Recommendation #7:**

Specific guidelines should be developed to ensure the timely handling and processing of personnel actions throughout the County.

**Response:**

The policy on the timely processing of Personnel Action forms will be addressed in the Payroll and Timekeeping Rules when developed. It is important to reiterate that department managers are responsible for the timely transmittal of personnel action forms to Employee Services.

Anniversary increases or step increases are currently being handled as recommended.

**Recommendation #8:**

The County should adopt policy and procedures which require and ensure that automated payroll reports are used and reviewed by appropriate personnel.

**Response:**

See response under Recommendation #5.

**Recommendation #9:**

County policy concerning the accrual, use and recording of compensatory time should be clarified and communicated to employees.

**Response:**

Policy is contained in the Bargaining Agreement and exempt compensation ordinance. The process and procedures are addressed in Recommendation #5.

**Recommendation #10:**

Central Payroll should discontinue the practice of processing final payroll checks without specific written authorization.

**Response:**

The Employee Services Division is in the process of preparing an Exit Interview Procedure. This procedure will include a section whereby the Personnel Officer must sign off before a final paycheck is issued to permanent employees.

In addition, with the planned installation of a position control system, the opportunity to continue employees on the payroll beyond their termination dates should be eliminated.

**Recommendation #11:**

Central Payroll should discontinue the practice of allowing timekeepers as well as individuals to pickup payroll checks at Central Payroll.

**Response:**

By September 30, 1988, Finance will evaluate the possible use of an alternative method of delivering payroll checks and documents to a designated departmental representative other than the timekeepers. If implemented, the departmental representatives will be held accountable to ensure that the documents and paychecks are delivered to the appropriate supervisors, timekeepers and/or employee.



**Recommendation #12:**

The County should consider issuance of payroll on a semi-monthly basis.

**Response:**

At this time, due to Union contracts, we are not able to implement this recommendation. However, Finance will evaluate the feasibility of converting the payroll to a semi-monthly basis to determine if the cost savings stated in the audit outweigh the confusion and costs associated with changing the payroll from a bi-weekly period to a semi-monthly period.

**Recommendation #13:**

The County should discontinue the practice of mailing notifications of direct deposit to employees at their homes.

**Response:**

Since the documents are handled only once, it is our position that it is more effective relative to cost and delivery to mail the notifications directly from ISD. If the notifications were delivered to a designated departmental employee, the documents would be handled at least three (3) times: i.e., by interoffice mail carrier, designated departmental employee, and location timekeeper or mail distribution center. In addition, by mailing notices, the Payroll Section has been able to maintain current mailing addresses for employees on direct deposit.

**Recommendation #14:**

A better rotation and segregation of duties within the Central Payroll area should be established.

**Response:**

The recommendation to segregate duties in the Payroll Section may be impractical due to the size of the Payroll Office. Currently, Payroll consists of two Office Assistants and one Payroll Supervisor. The current process of distributing payroll reports to departmental managers and the reconciliation procedures which are performed in Finance by the General Ledger Section provides adequate internal control.

We would also like to note that both Office Assistants are cross-trained and that written job duties are on file in Payroll.

**Recommendation #15:**

Improvements in the manner in which temporary personnel are reflected on the automated payroll system should be considered.

Memo to Feeney  
July 29, 1988  
Page 7

Response:

See response under Recommendation #5.

2652F/DB/ld

cc: Hank Miggins  
David Boyer  
Lloyd Williams  
Jean Miley



*Urban Services Correspondence*

CITY OF

**PORTLAND, OREGON**

OFFICE OF FISCAL ADMINISTRATION

**J.E. Bud Clark, Mayor**  
Stephen C. Bauer, Director  
1120 S.W. Fifth Avenue, Room 1250  
Portland, Oregon 97204  
(503) 796-5288

*5/23/88*

May 24, 1988

TO: Mayor J.E. Bud Clark  
FROM: *Stephen C. Bauer*  
Stephen C. Bauer, Director  
Office of Fiscal Administration  
SUBJECT: Double Majority Annexation Intent Areas

The Urban Services Division has prepared the following Report and Recommendation for Council's consideration. The proposal is to file Notices of Intent to Annex with the Boundary Commission in accordance with Double Majority criteria [ORS 199.490(B)(b)]. That statutory provision requires "...the governing body of the affected city or district shall file a notice of intent to annex with the Boundary Commission..."

The effect of approving the proposed Resolution is that the Urban Services staff is enabled to commence with the work of developing constituent support for annexation in the intent areas. These are not annexation proposals per se; rather, they represent the initial step necessary to develop annexation proposals.

The following attachments are included with this report:

1. A staff report describing the primary data on each proposed intent area;
2. A map showing each intent areas' relationship to the present Portland boundary; and
3. An Assessor's cadastral map outlining the specific boundaries of each proposed annexation intent area.

I recommend that the Report be filed and that the Council approve the proposed Resolution. This recommendation is consistent with the Resolution and Report on the Urban Services Program which Council approved on April 27, 1988, and the process satisfies the statutory burden in ORS Chapter 199.

SCB/JB/sb  
Attachments

Budget Division  
Tim Grewe, Manager

Grants Compliance Division  
Susan Klobertanz, Manager

Revenue & Policy Analysis Division  
Ron Bergman, Manager

Urban Services Division  
David Lawrence, Manager

**EXHIBIT A**  
**REPORT AND RECOMMENDATION**  
**DOUBLE MAJORITY INTENTS TO ANNEX**  
**ISLAND AREAS**

The Urban Services Division of the Office of Fiscal Administration has developed an initial set of proposals for Council approval in order to begin developing support for double majority annexations. By way of background, last April 27th Council passed Resolution No. 34425, adopting a report on the status of the annexation/urban services program and approving the use of the new double majority method of annexation.

The essential elements of double majority [ORS 199.490(B)] are:

- o An "intent to annex" statement from the governing body of a city, together with an Assessor's map accurately depicting the intent area, must be on file at the Boundary Commission before support for annexation can be sought in an area;
- o Each intent area must be contiguous to the present city boundary;
- o For an intent area to be annexed, written consent is required from the owners of a majority of the land area and a majority of the registered voters.

The intent areas proposed at this time meet the contiguity requirement. Further, this first round of intent proposals were drawn in response to some of the more irregular segments of the City boundary, and include territory on both Portland's western and eastern flanks, as well as the existing islands east of NE 122nd Avenue. Although staff is recommending that intents be filed for each of the existing islands east of 122nd Avenue, this action is not meant to preclude the possibility that these areas may be annexed by the island method. Rather, think of it as insurance against legal action if we go into the islands to seek support.

Each proposed double majority intent area is described below, and the prescribed intent area maps are attached. All have been reviewed by the Urban Services Steering Committee, which includes representatives from each of the major service bureaus. The information provided herein simply sketches the characteristics of each double majority intent area. More information will be collected as the actual annexation proposals are developed.

## DESCRIPTION OF DOUBLE MAJORITY INTENT AREAS

1. Ten intent areas have been drawn for portions of the Gilbert-Powellhurst Neighborhood, including four in the vicinity of Kelly Butte, and six further to the east, generally from SE Holgate on the south, to SE Division on the north, as far east as SE 122nd Avenue.
  - a. Intent Area 1 (I-1) is located just north of Kelly Butte, and is surrounded by the City boundary on the west, north, and south (See Map 1). The intent area is bounded by Interstate-205 on the west, SE Division (and the City boundary) on the north, the properties facing SE 107th and SE Clinton on the east, and the City boundary on Kelly Butte to the south.
  - b. Intent Area 2 (I-2) is adjacent to and east of I-1. I-2 is contiguous to the City limits on the west and north (See map 2). I-2 is bounded by SE Division on the north, the east property line of the lots facing SE 111th on the east, SE Franklin on the south, and the City boundary on Kelly Butte to the west.
  - c. Intent Area 3 (I-3) is located south of Kelly Butte along both sides of SE Powell Boulevard (See map 3). I-3 is bounded by SE 99th on the west, by Powell Boulevard and SE Franklin, generally on the north, SE 112th on the east, and SE Bush on the south. The proposed Mt. Hood Park site is located within I-3.
  - d. Intent Area 4 (I-4) is located to the south of I-3, and is surrounded by Portland on the west, south, and east (See Map 4). I-4 is bounded by Interstate-205 Freeway on the west, SE Bush (and I-3) on the north, SE 107th on the east, and extends as far south as SE Holgate along SE 103rd.
  - e. Intent Area 5 (I-5) is located east of I-2 and I-3, and abuts the City limits on the north and south (See map 5). Essentially, the intent area includes the properties along both sides of SE 112th, generally from SE Clinton on the north to SE Bush on the south, and also included properties along both sides of SE Powell Boulevard between 112th and 115th.
  - f. Intent Area 6 (I-6) is located to the east of I-5, and includes the properties along both sides of SE 115th from SE Clinton (and the City limits) on the north to the north property lines of those lots facing SE Powell on the south (See Map 6).

- g. Intent Area 7 (I-7), which is east of I-6, abuts the City boundary on the north and east (See Map 7). The territory includes those properties fronting Powell Boulevard between SE 115th and SE 117th, and extends north along SE 116th and SE 119th, adjacent to the City limits, as far as SE Brooklyn.
  - h. Intent Area 8 (I-8) is located south of I-7 and connects to the City boundary on the west (See Map 8). Generally, the western boundary of this intent area is along SE 112th and the City limits, Powell Boulevard on the north, the east property line of those lots east of SE 116th on the east, and SE Holgate on the south.
  - i. Intent Area 9 (I-9) lies west of SE 122nd Avenue, and is surrounded by Portland on the south, west, and north (See Map 9). The properties included in I-9 are located on SE Woodward, Tibbetts, and Kelly Streets between SE 120th and SE 122nd.
  - j. Intent Area 10 (I-10) lies to the south of I-9 and to the west of I-7 and I-8, and touches the City along its northwestern boundary (See Map 10). The territory includes properties along SE 118th south of SE Powell, SE Bush is the southern boundary, SE 122nd is the eastern boundary, and the City boundary is on the north.
2. The staff is recommending that an additional six double majority intent areas be filed, including one area of Hayden Island and five westside neighborhoods.
- a. Intent Area 11 (I-11) is the Highlands Subdivision (See Map 11). I-11 is bounded by the City on the north, west and east, and the Sunset Highway (Highway 26) on the south. The territory includes properties along SW Highland Road, SW Strathfell, SW Torr, SW Barrow and SW Wyndham.
  - b. Intent Area 12 (I-12) is located south of the Sunset Highway, and abuts the City limits on the north, west, and east (See Map 12). I-12 is located generally east of SW Hewitt Boulevard, south of the Sunset Highway, along both sides of SW Humphrey Park Road, SW Humphrey Park Circle, SW Humphrey Court, and SW 47th Place.
  - c. Intent Area 13 (I-13) is located west of I-12 and abuts the City boundary on the north and south (See Map 13). The area is bounded by SW Scholls Ferry Road on the west, the Sunset Highway and SW Humphrey Boulevard on the north, and takes in properties along both sides of SW Hewitt Boulevard as far south as the cul-de-sac of SW 53rd Drive.

- d. Intent Area 14 (I-14) is surrounded by Portland on the north, east, and south (See Map 14). I-14 is bounded by SW 48th Drive and Shattuck Road on the west, SW Hillside Drive on the north, and the City boundary on the east and south.
  - e. Intent Area 15 (I-15) is located just west of I-14, and abuts the City limits on the north and south (See Map 15). The intent area includes the Wilcox Estates Subdivision, and is bounded generally by SW 57th on the west, SW Patton Road on the north, SW Shattuck Road on the east, and SW Thomas on the south.
  - f. Intent Area 16 (I-16) is located on Hayden Island, and adjoins the City on the east (See Map 16). The territory is east of the Railroad right-of-way, south of the Columbia River, west of the City boundary along N. Farr Road, and north of the Oregon Slough.
3. Finally, staff is recommending that double majority intents be filed for the existing islands located east of 122nd Avenue. This would enable us to work with citizens in these areas in order to develop annexation proposals by the double majority method even though the island method of annexation remains an option.
- a. Intent Area 17 (I-17) is located east of NE 145th Avenue, south of Sandy Boulevard, generally west of NE 148th, and north of NE Rose Parkway (See Map 17).
  - b. Intent Area 18 (I-18) is located east of NE 145th Avenue, between Sandy Boulevard and NE Rose Parkway (See Map 18). The site adjoins the Rivercliff Estates Condominiums on the south and west, and the Sandycrest Subdivision lies just northeast of I-18.
  - c. Intent Area 19 (I-19) includes four small islands in the Clifgate neighborhood. The four islands (See Map 19, Clifgate I-1, Clifgate I-2, Clifgate I-3, and Clifgate I-4), are bounded by NE 122nd on the west, NE Siskiyou on the north, NE 127th on the east, and NE Russell on the south.
  - d. Intent Area 20 (I-20) includes four islands in the Clifgate and Wilkes neighborhoods located between NE 132nd on the west, the Banfield Freeway on the north, NE 148th Avenue on the east, and NE Halsey on the south. These four islands appear on Map 20, Clifgate II-1, Clifgate II-2, Clifgate II-3, and Clifgate II-4.

- e. Intent Area 21 (I-21) includes four islands in the Wilkes neighborhood (See Map 21, South Wilkes I-1, South Wilkes I-2, South Wilkes I-3, and South Wilkes I-4). The islands are bounded by NE Hancock on the north, NE 157th on the east, NE Holladay on the south, and NE 148th on the west.
- f. Intent Area 22 (I-22) consists of two islands of two lots each, located along both sides of SE Salmon Street just east of SE 122nd Avenue (See Map 22).

### **RECOMMENDATION**

Staff recommends that Council pass the accompanying Resolution which adopts this Report and authorizes the filing of these intents with the Boundary Commission.

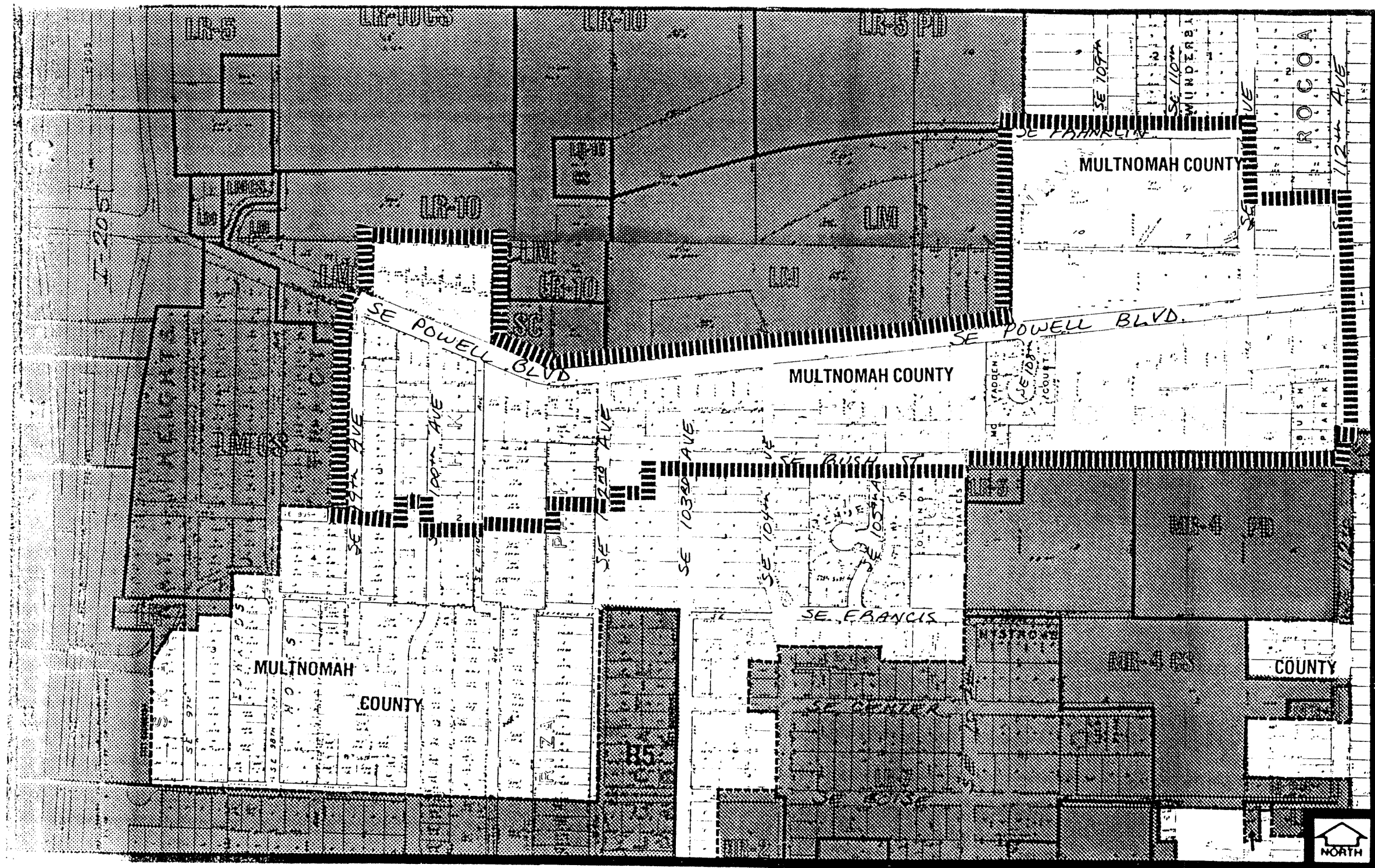
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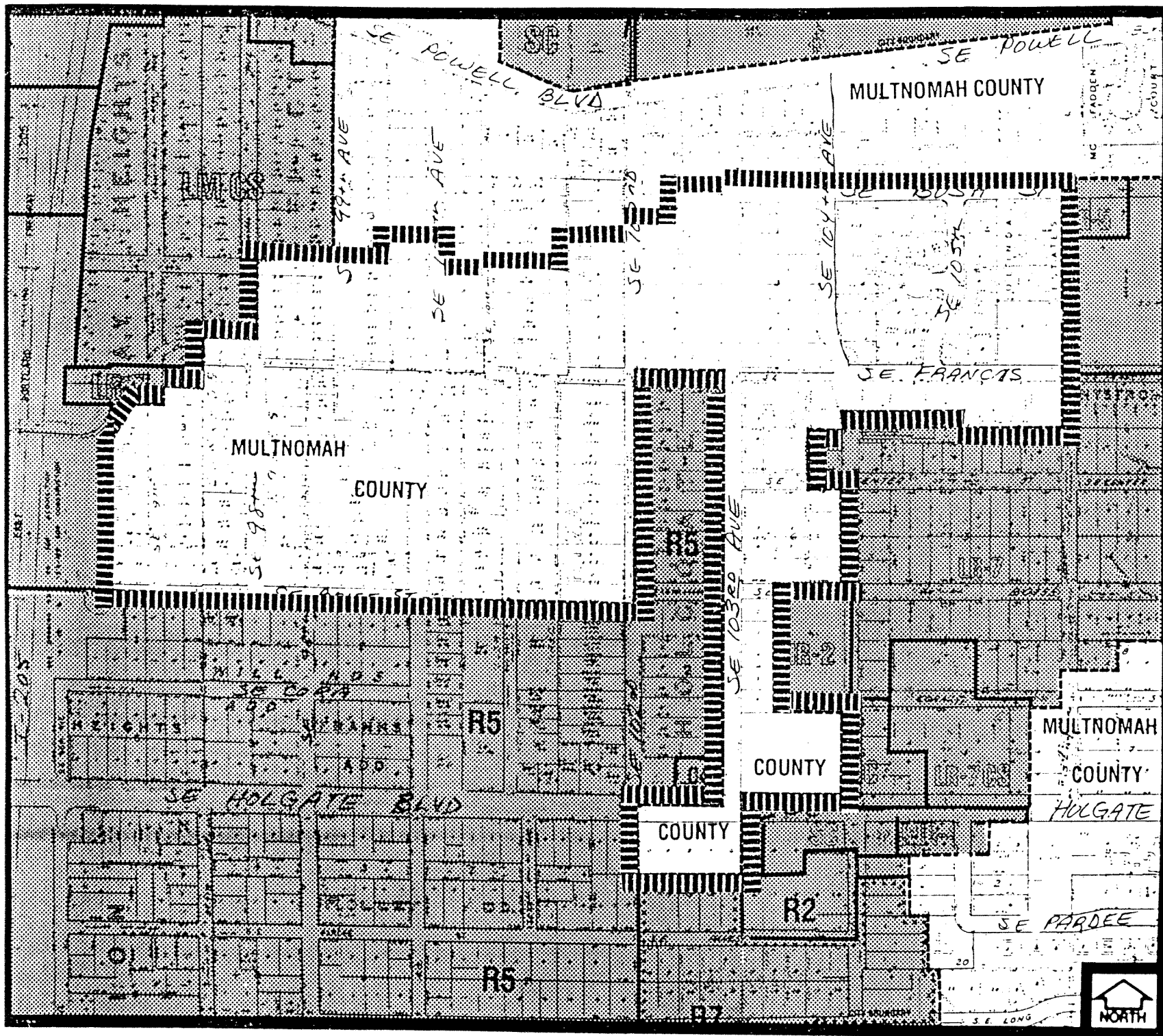






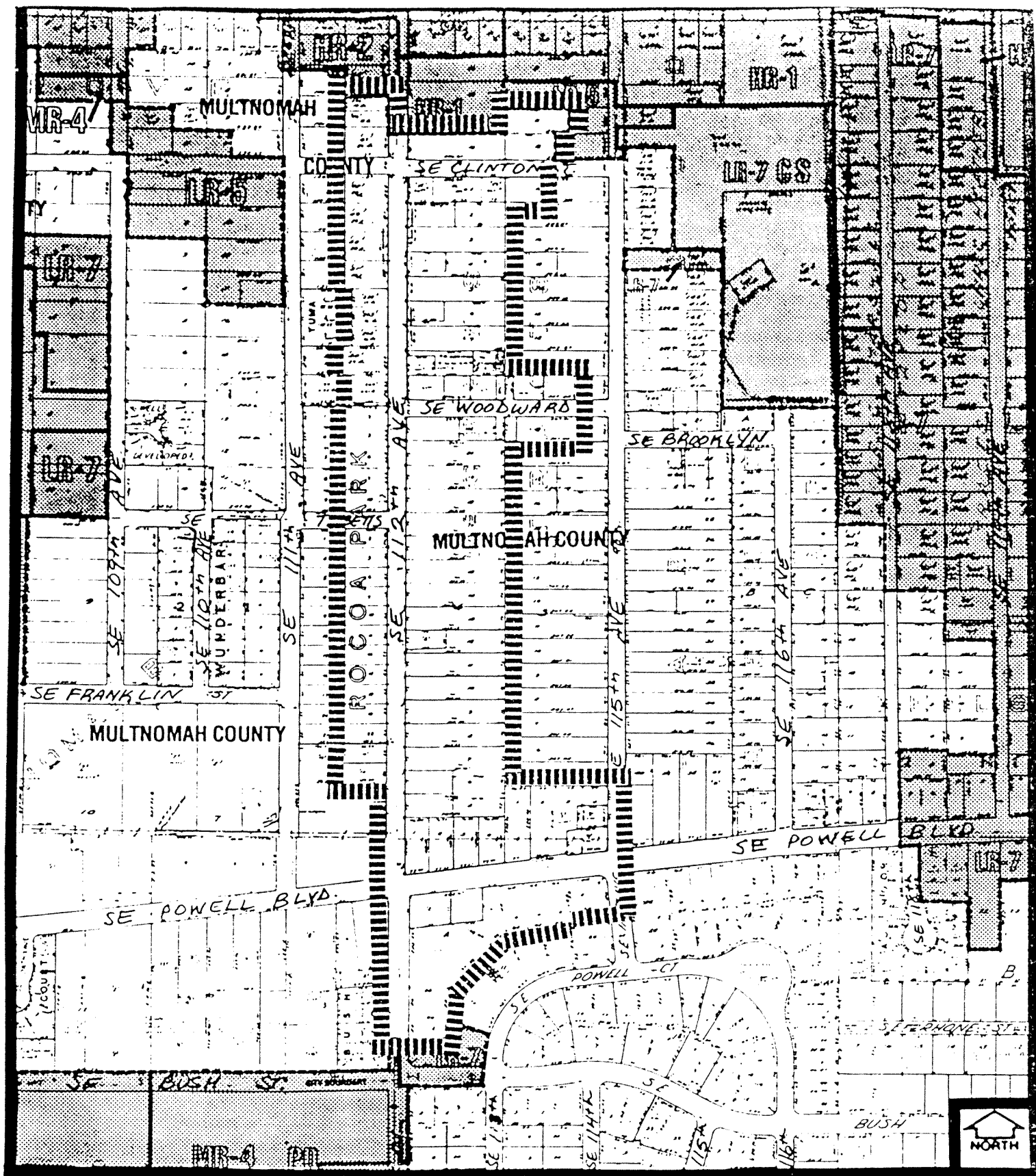


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KB4



West Powellhurst #1

74 properties

22.8 acres

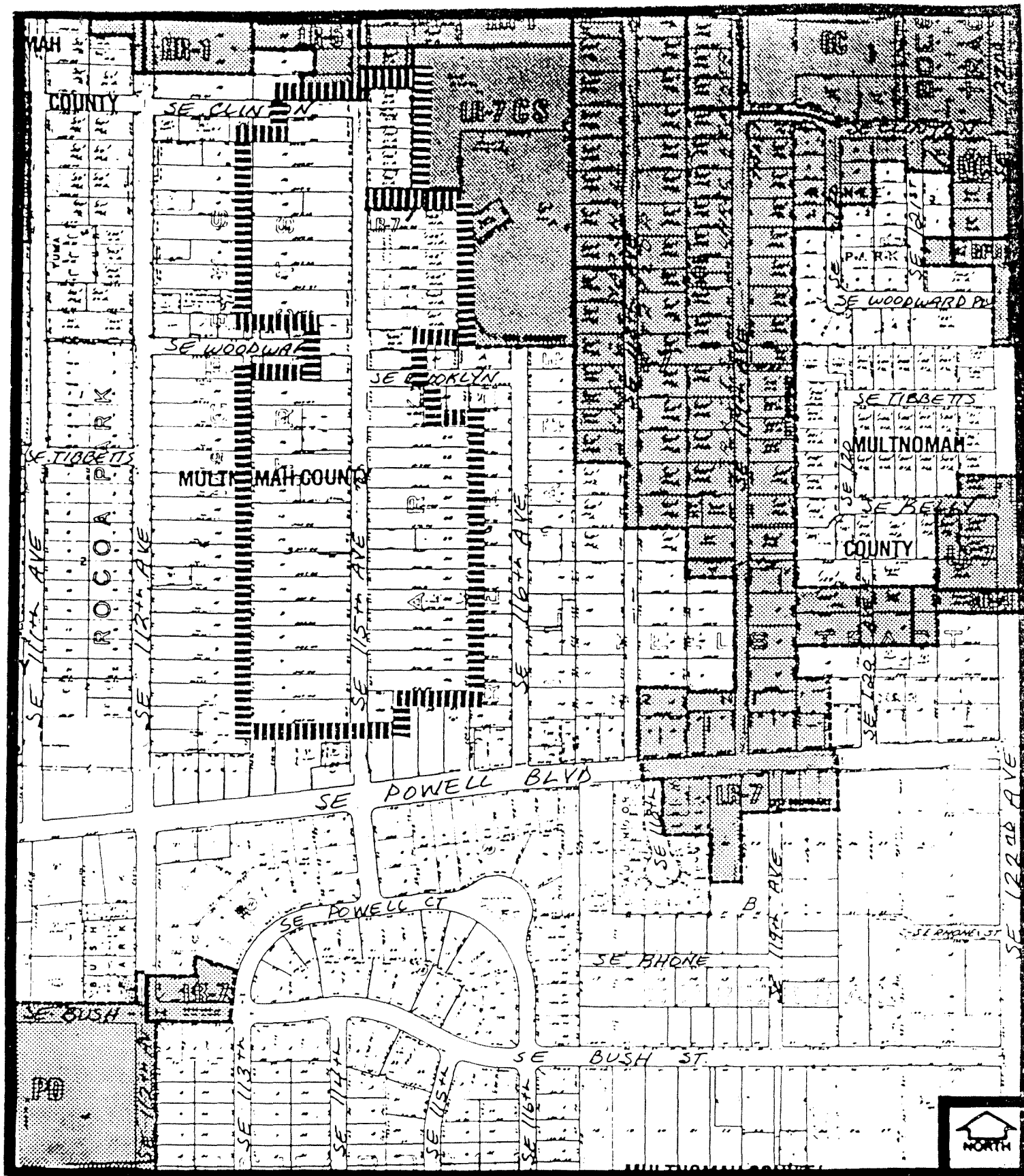
\$4,160,390 assessed value

MAP 5 INTENT AREA 5

116 west pop

1:400





West Powellhurst #2

55 properties

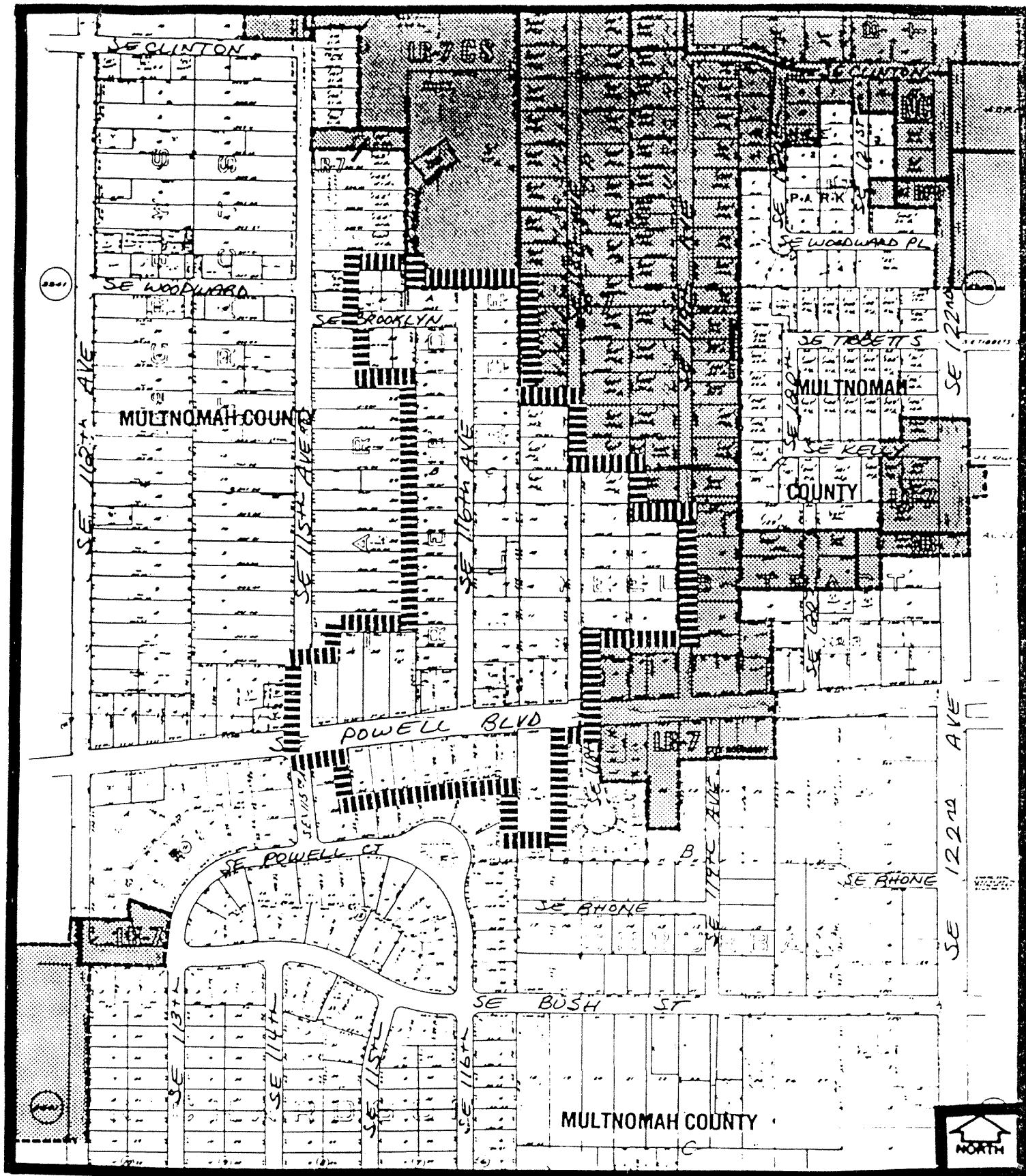
21.4 acres

\$2,373,700

110 est pop

1:400

MAP 6 INTENT AREA 6



West Powellhurst #3  
 73 properties  
 18.5 a.  
 \$ 3,495,000

MAP 7 INTENT AREA 7

130 est pop

1:400

1:400



West Powellhurst #5

**MAP 9      INTENT AREA 9**

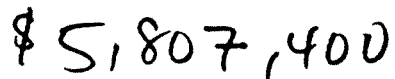
56 properties

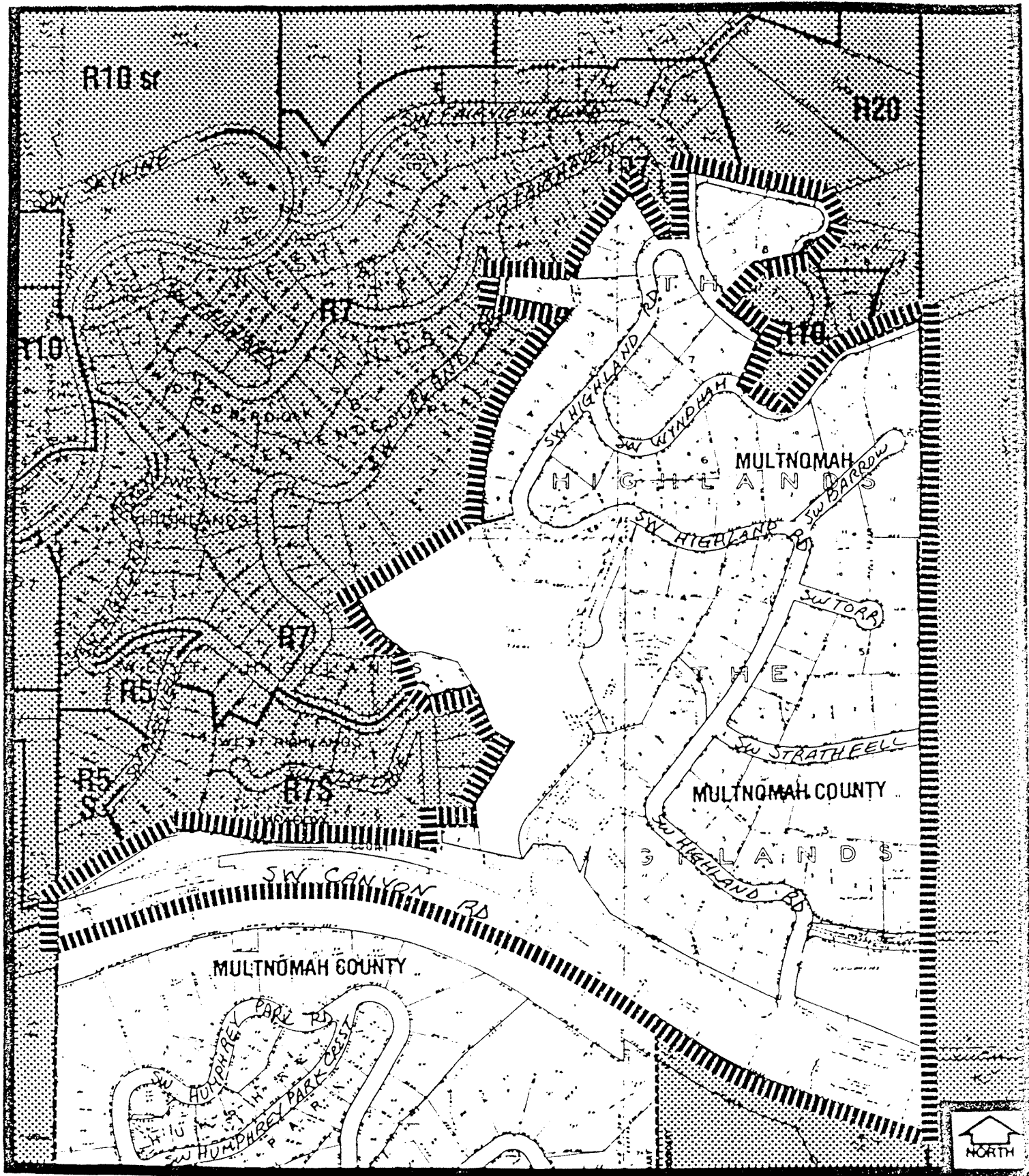
11.4 acres

\$ 2,500,100

112 est pop

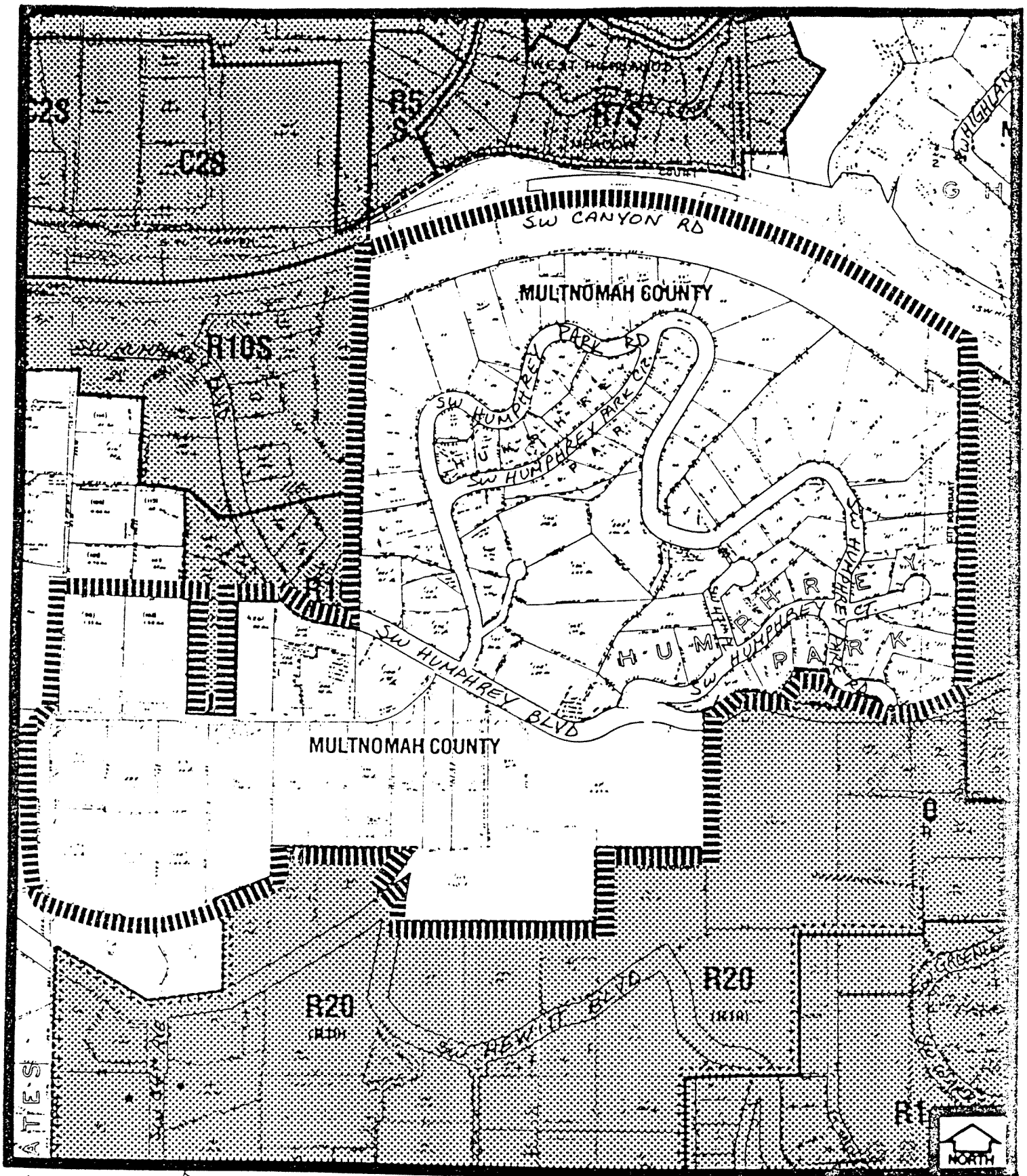
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Highland Rd.

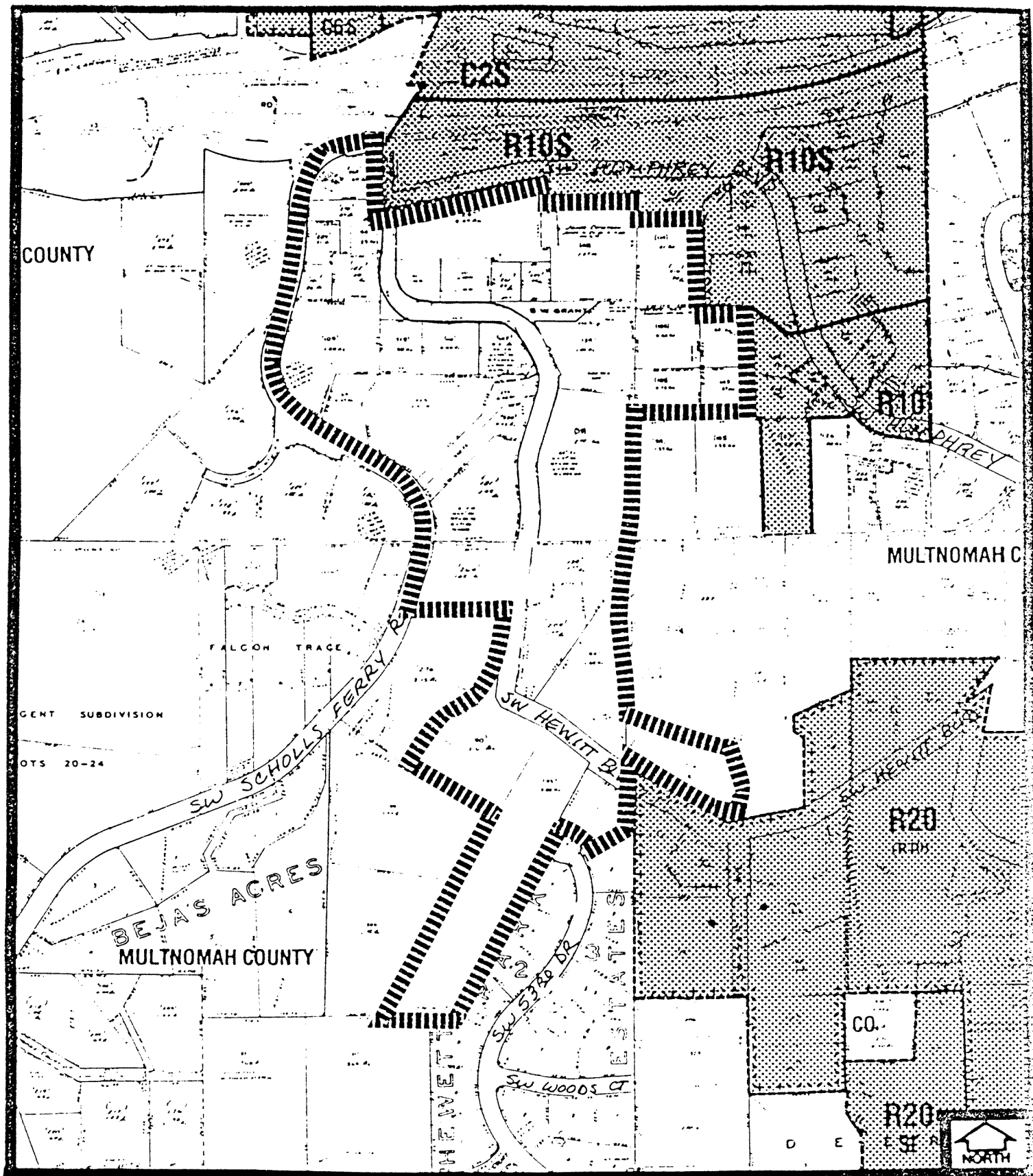
MAP 11 INTENT AREA 11 1:400



Humphrey Park

MAP 12 INTENT AREA 12

1:400



*Hewitt Boulevard*

MAP 13 INTENT AREA 13

*1:400*



SANDRA LEE

27 properties

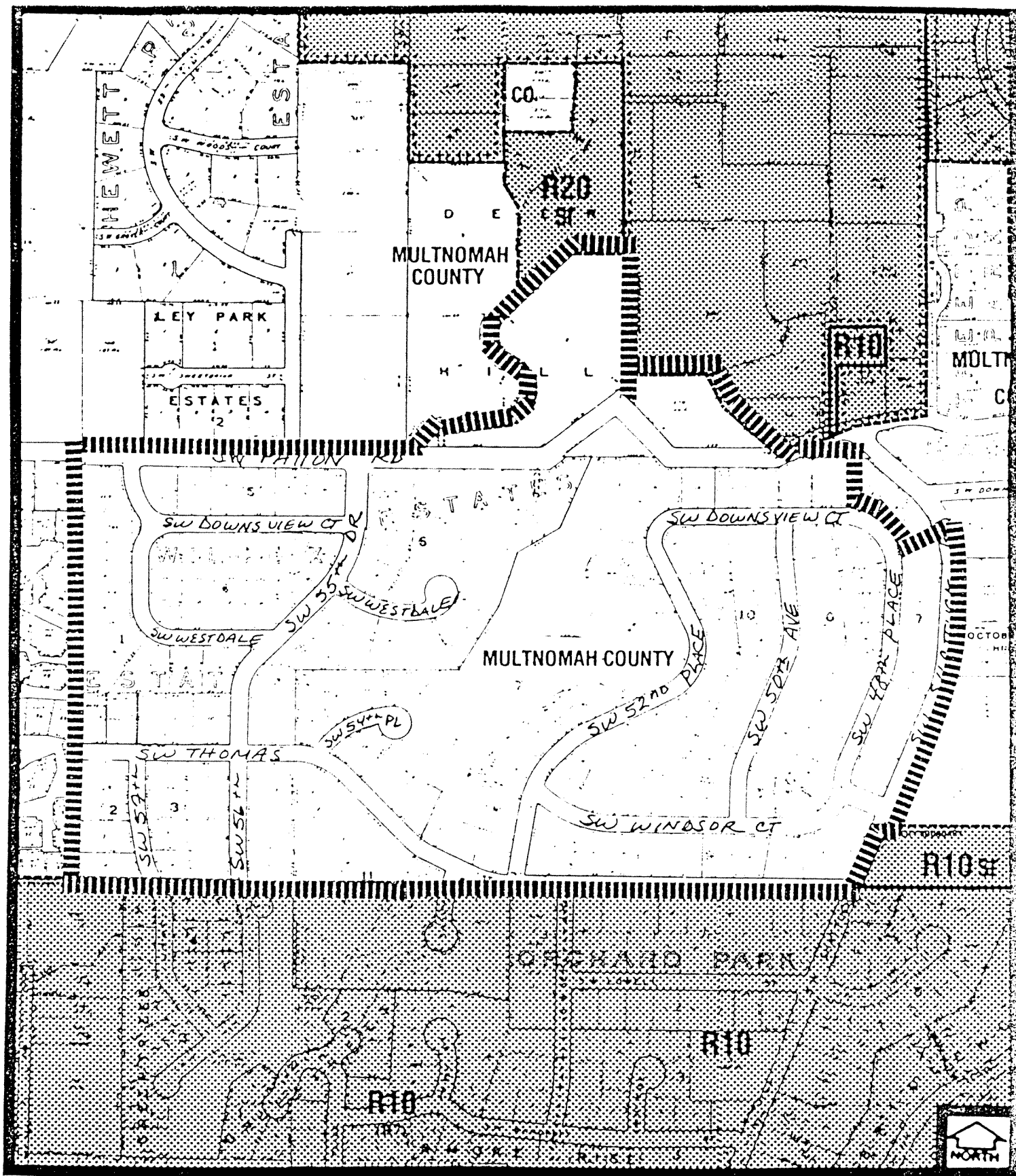
25.4 acres

\$4,460,500 assessed value

**MAP 14 INTENT AREA 14**

estimated population 60 persons  
1:400

1:400



Wilcox Estates

MAP 15 INTENT AREA 15

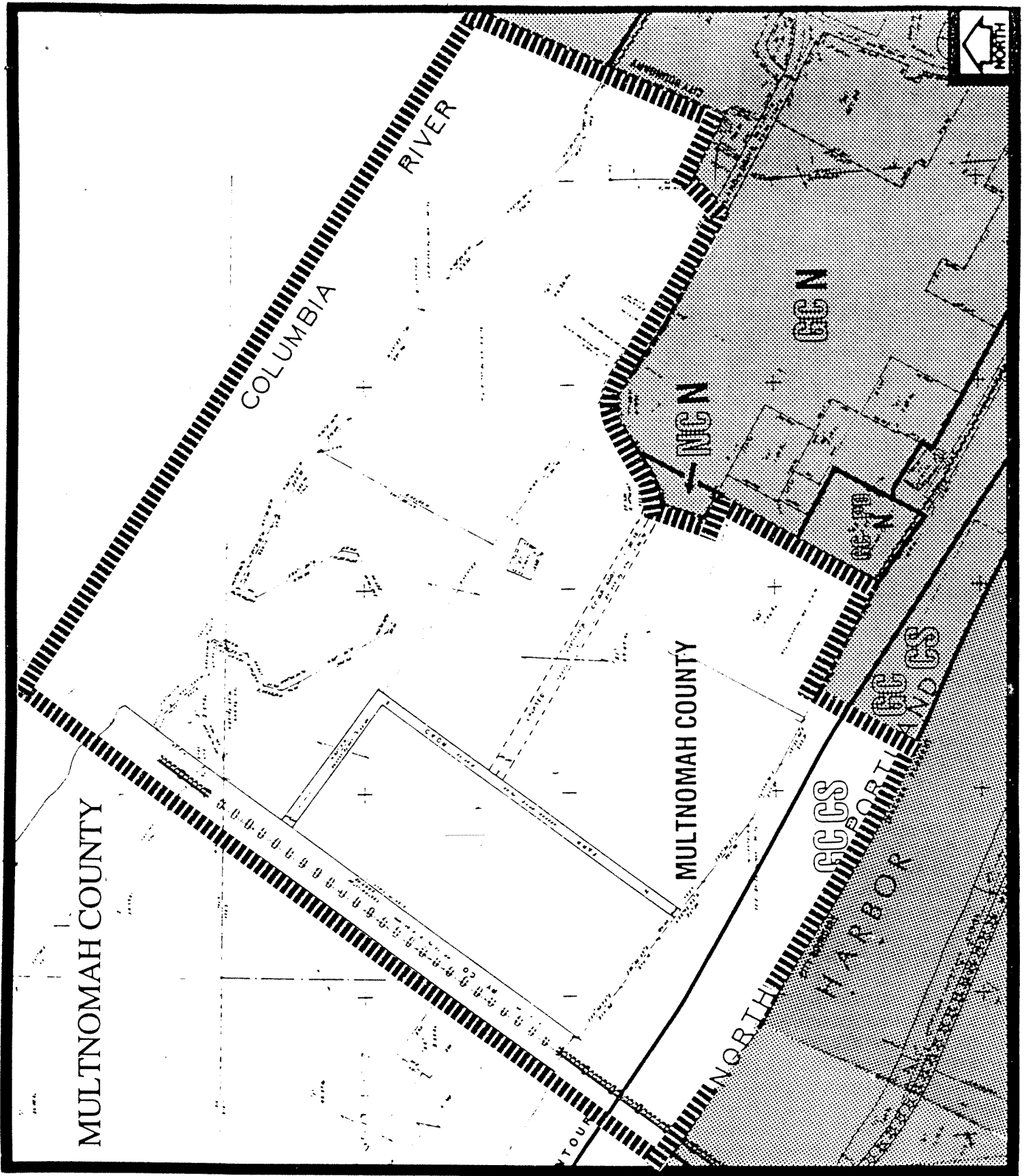
183 properties

385 estimated population

64.8 acres

1:400

\$22,786,100 assessed value



Hayden Island

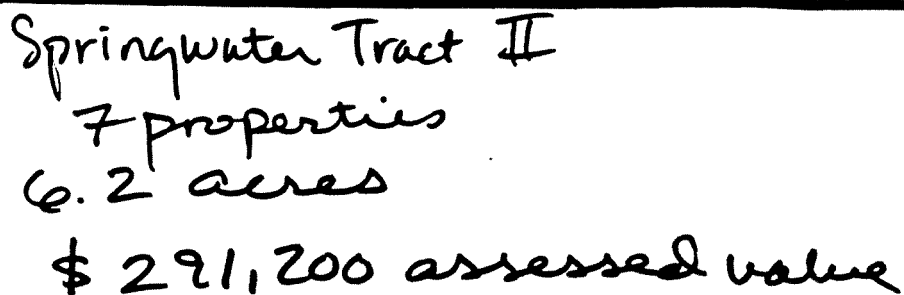
MAP 16 INTENT AREA 16

- 3 mobile home parks
- 2 Industrial park
- 1 vacant lot
- 1 Railroad right of way

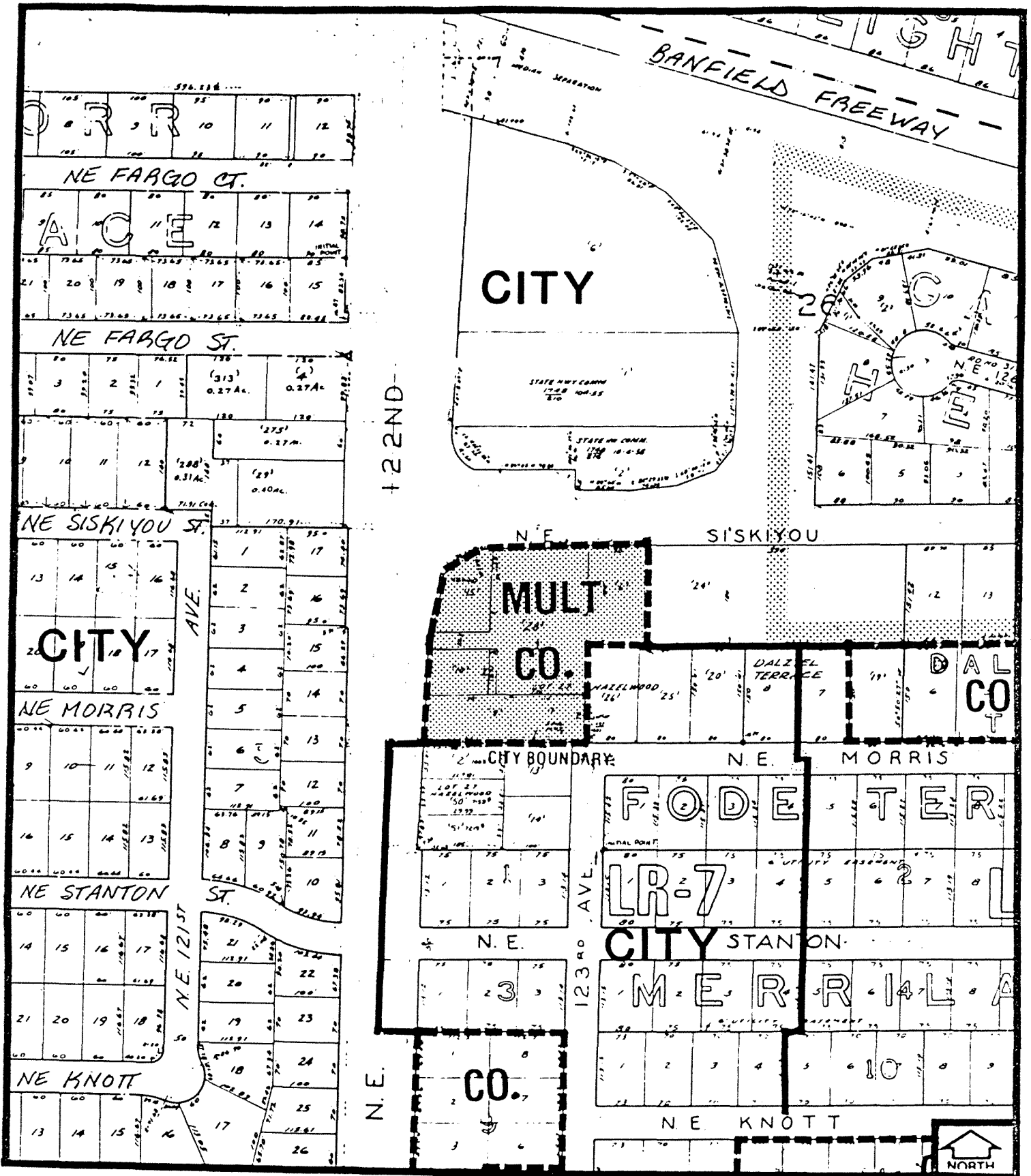
1:300



\$454,790 assessed value



1:400



Clifgate I #1

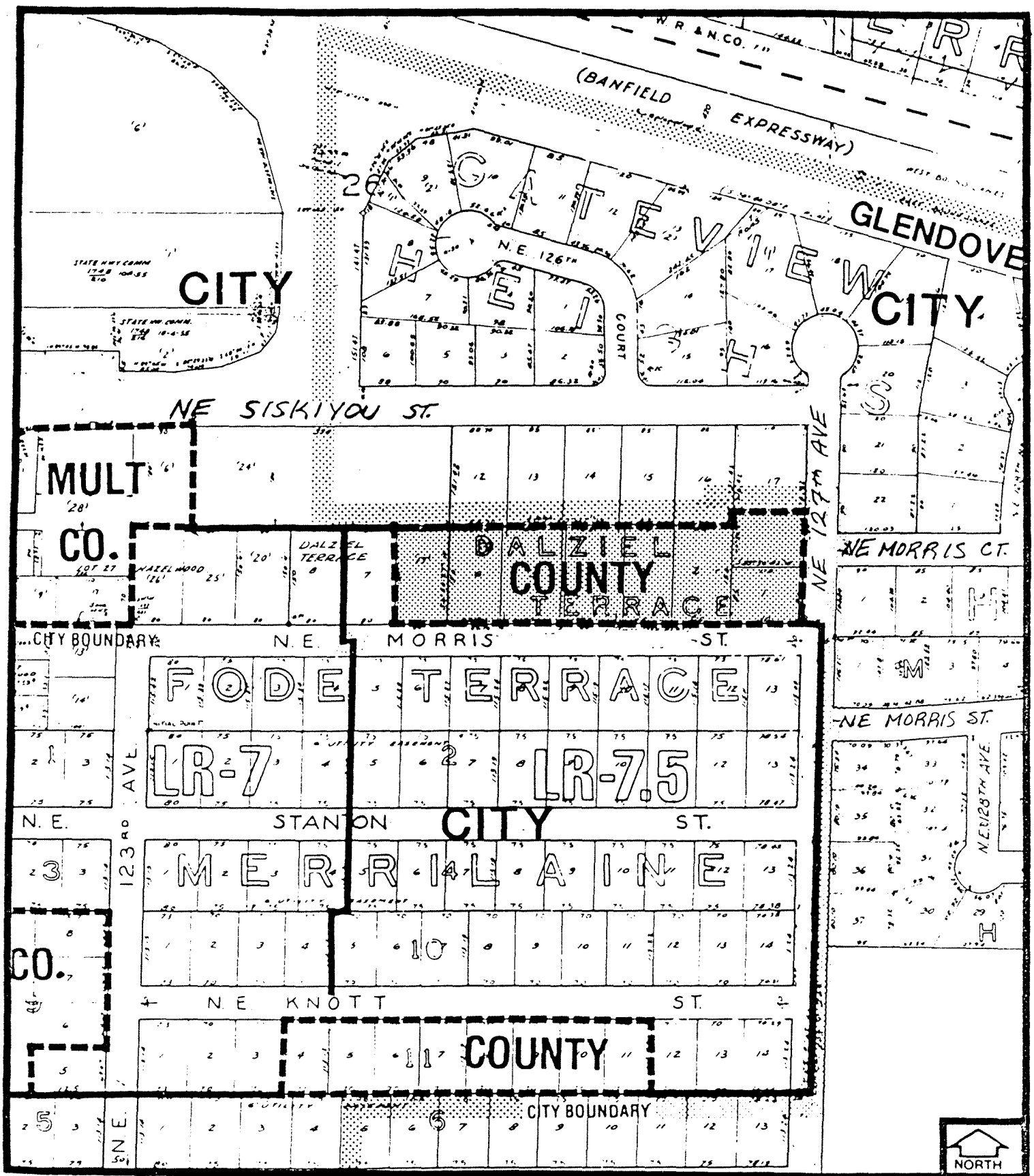
MAP 19 INTENT AREA 19 CLIFGATE I-1

6 prop.  
.3 acre

11 est pap

1:200

\$553,800 assessed value



Clifgate I #2  
6 properties  
.3 acres

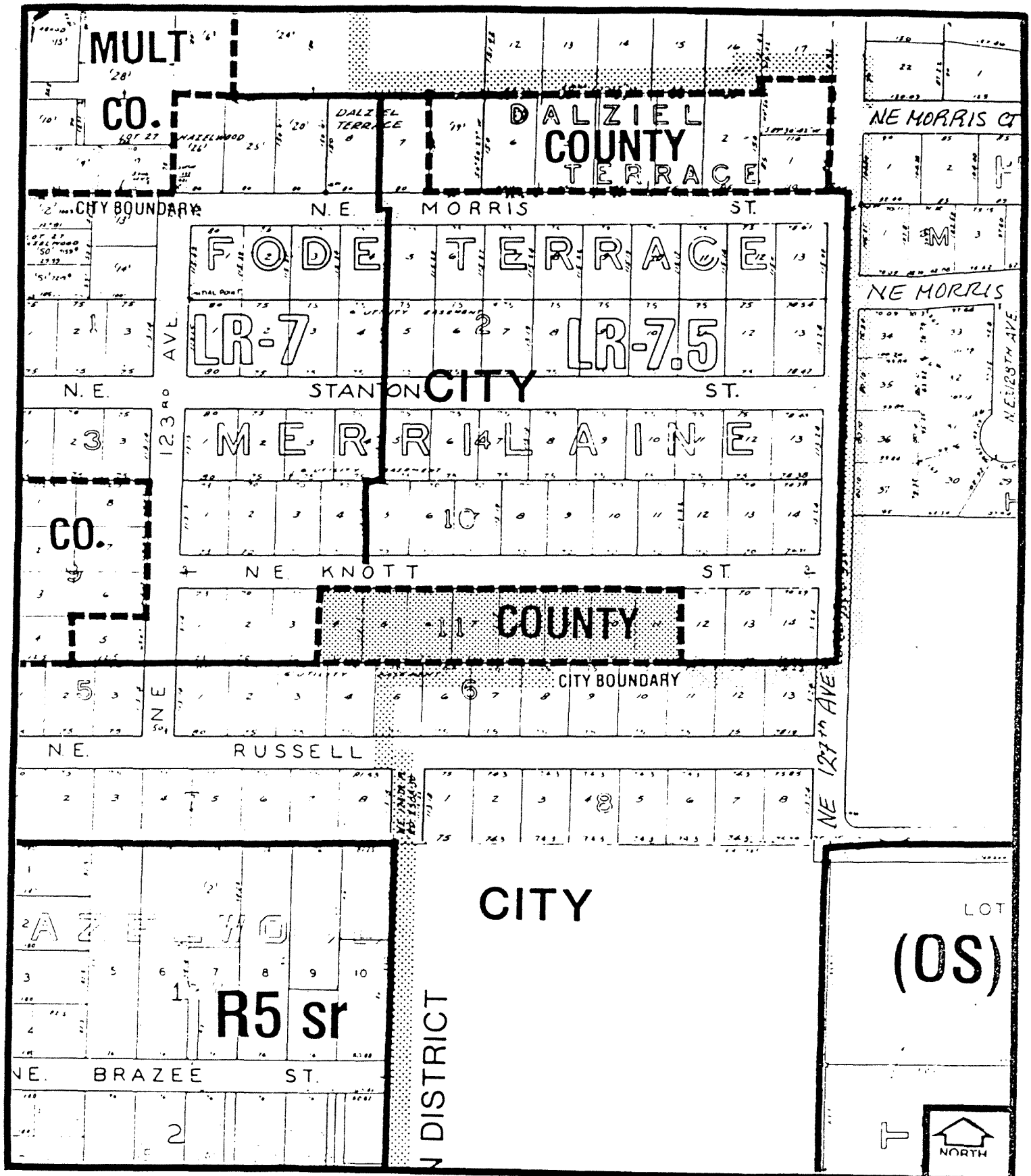
MAP 19 INTENT AREA 19 CLIFGATE I-2  
\$440,200 assessed value  
13 est pop  
1:200

\$360,200 assessed value

**MAP 19 INTENT AREA 19 CLIFGATE I-3**

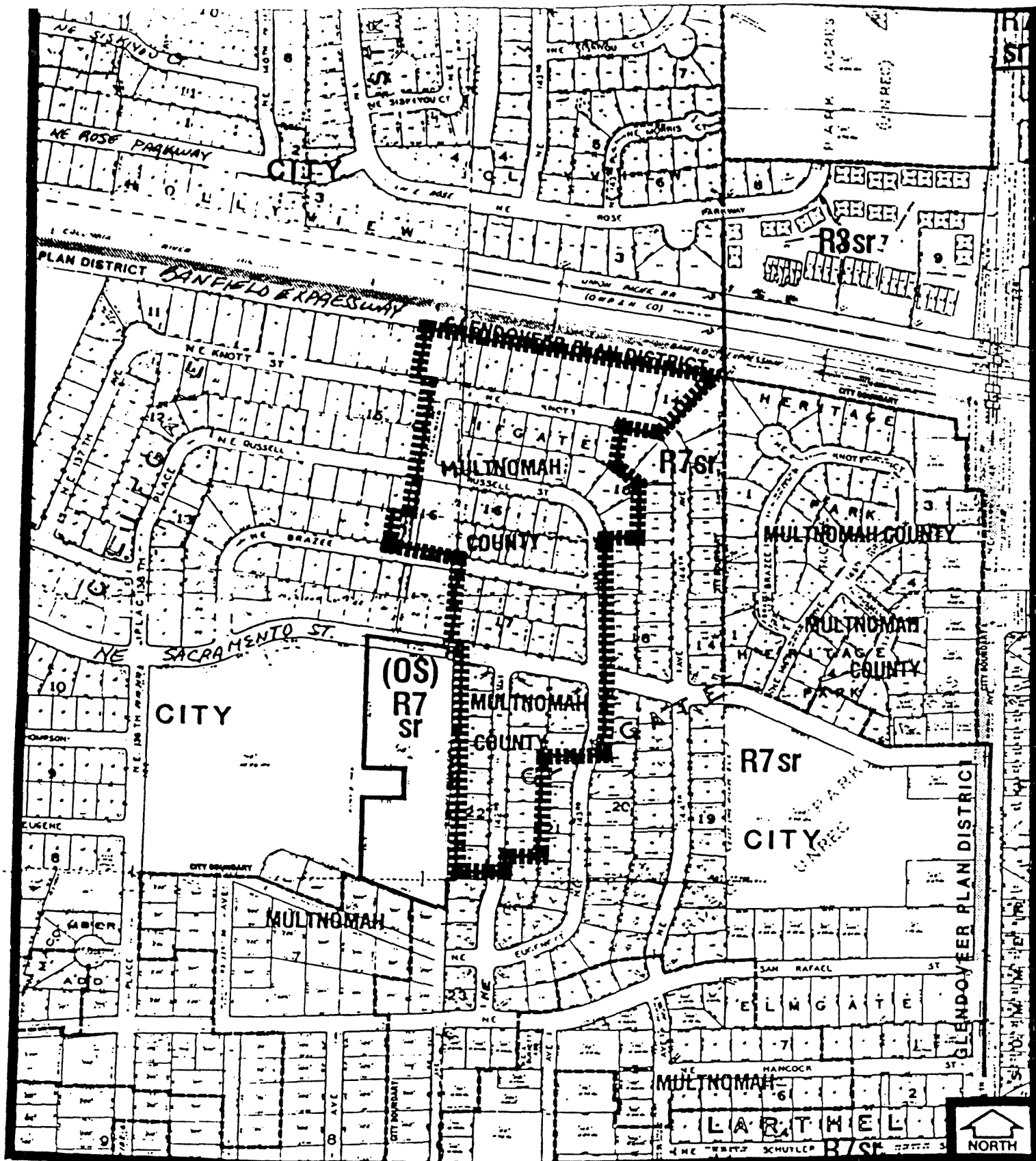
15 est pop

1:200



Clifgate I #4  
 8 properties  
 .2 acres

MAP 19 INTENT AREA 19 CLIFGATE I-4  
 \$498,600 assessed value  
 13 pop (est.)  
 1:200



Clifgate II #1

MAP 20 INTENT AREA 20 CLIFGATE II-1

65 properties

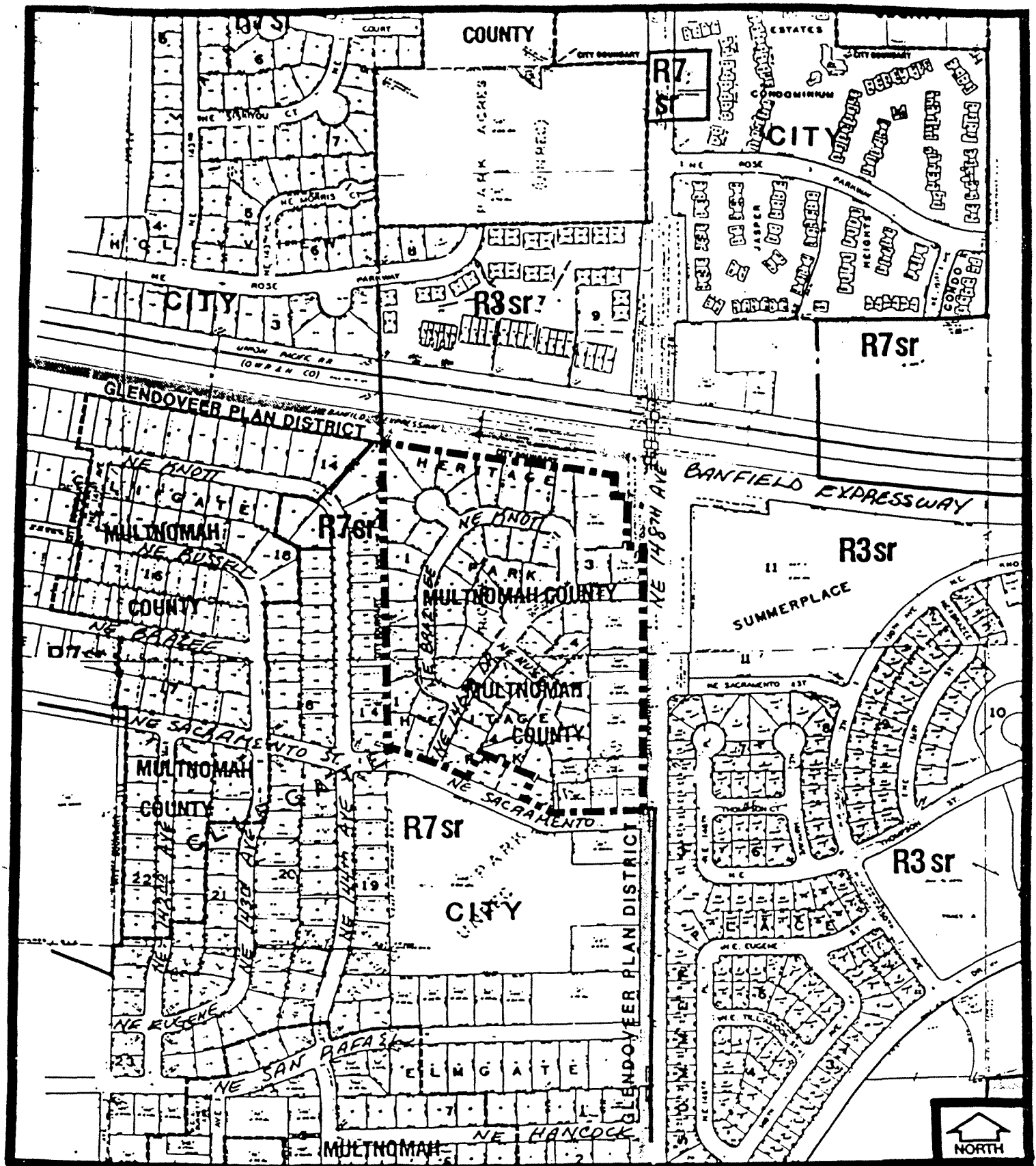
est pop. 162

1:400

13.5 acres

\$ 3,756,500





Clifgate II #2

63 properties

14 acres

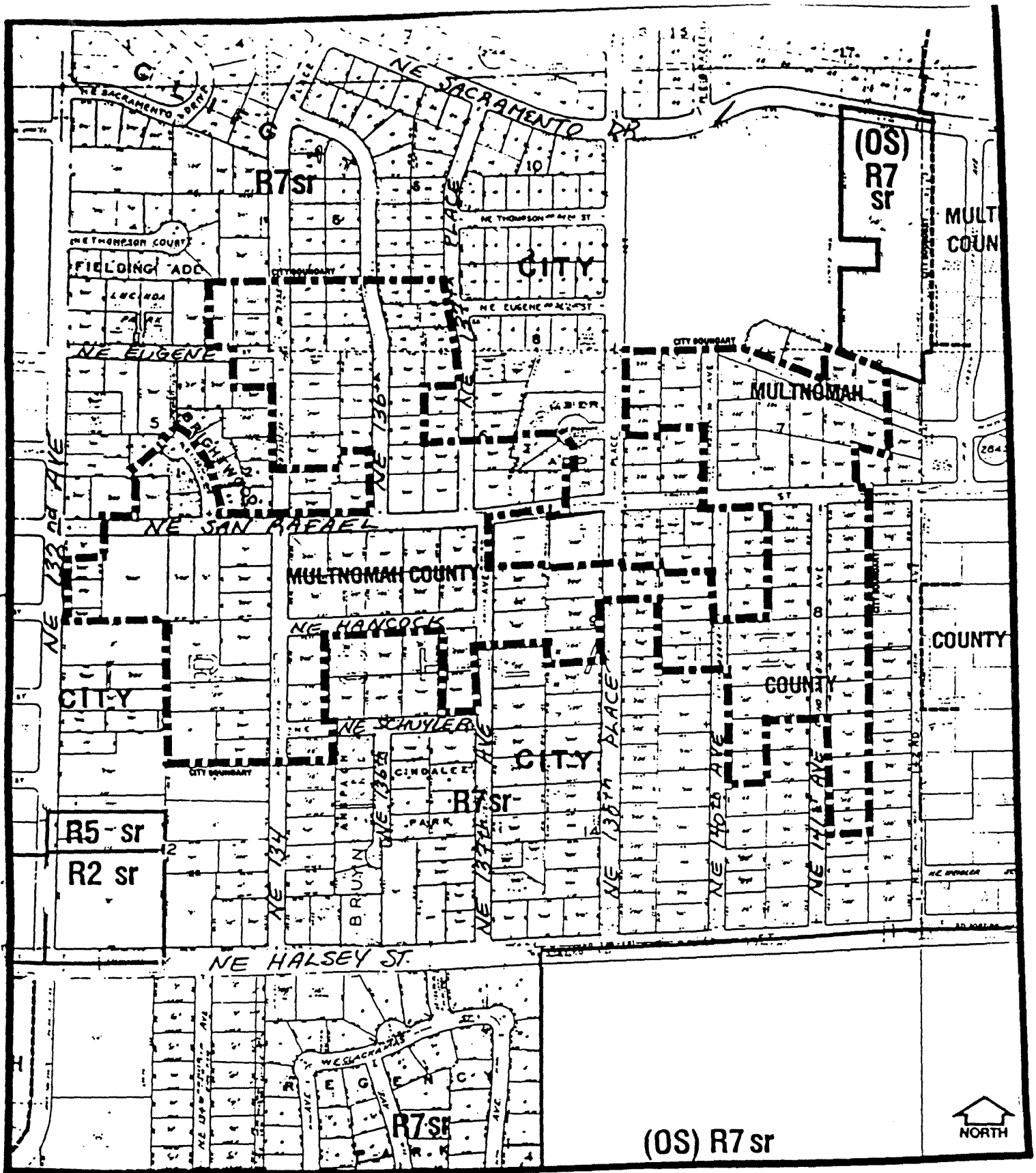
\$3,772,500 assessed value

MAP 20 INTENT AREA 20 CLIFGATE II-2

1:2400

(11 est pop





Clifgate II #3

MAP 20 INTENT AREA 20 CLIFGATE II-3

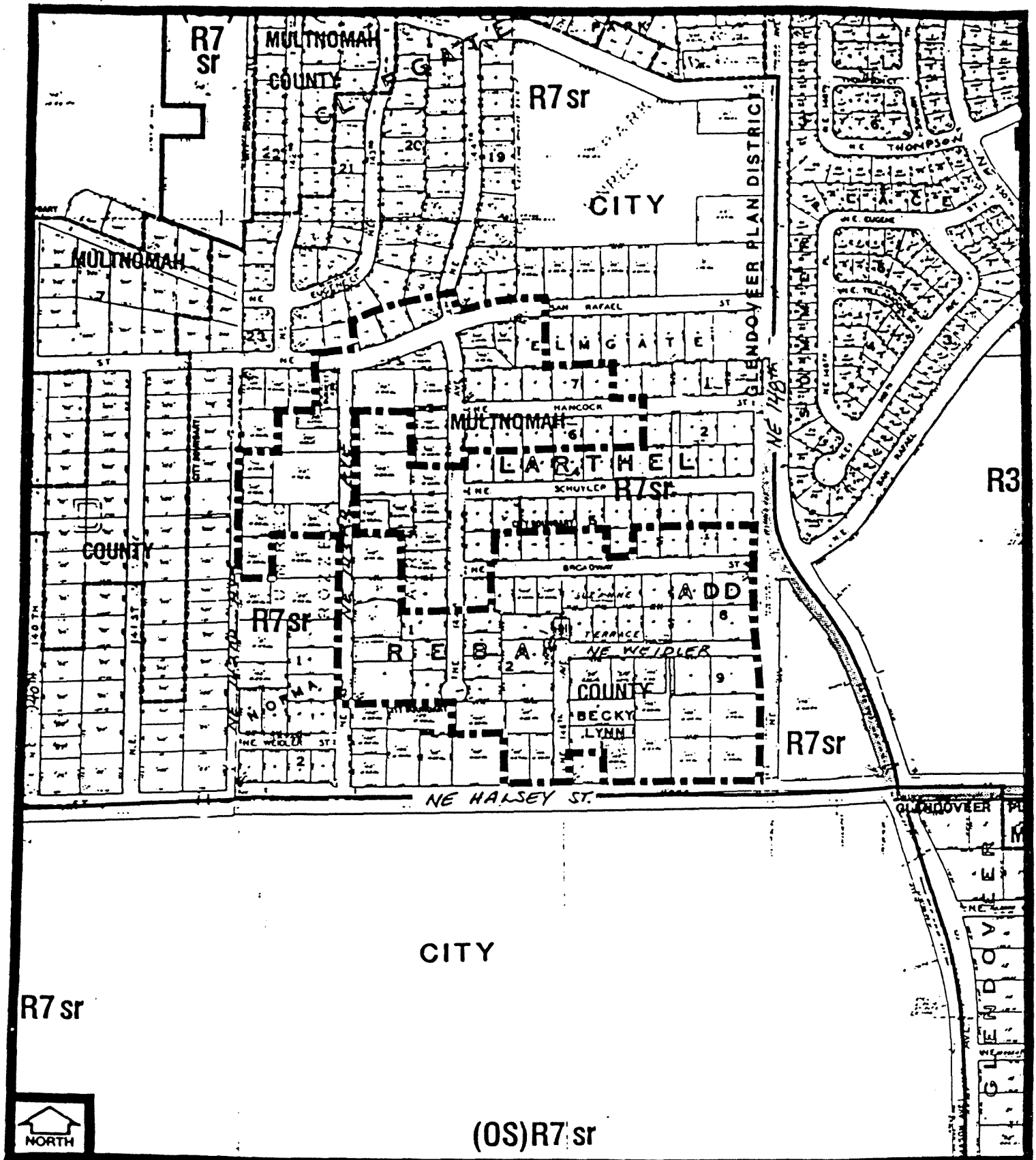
121 properties

205 prop. owners

1:400

37.2 acres

\$9,032,890



Clifgate #4

MAP 20 INTENT AREA 20 CLIFGATE II-4

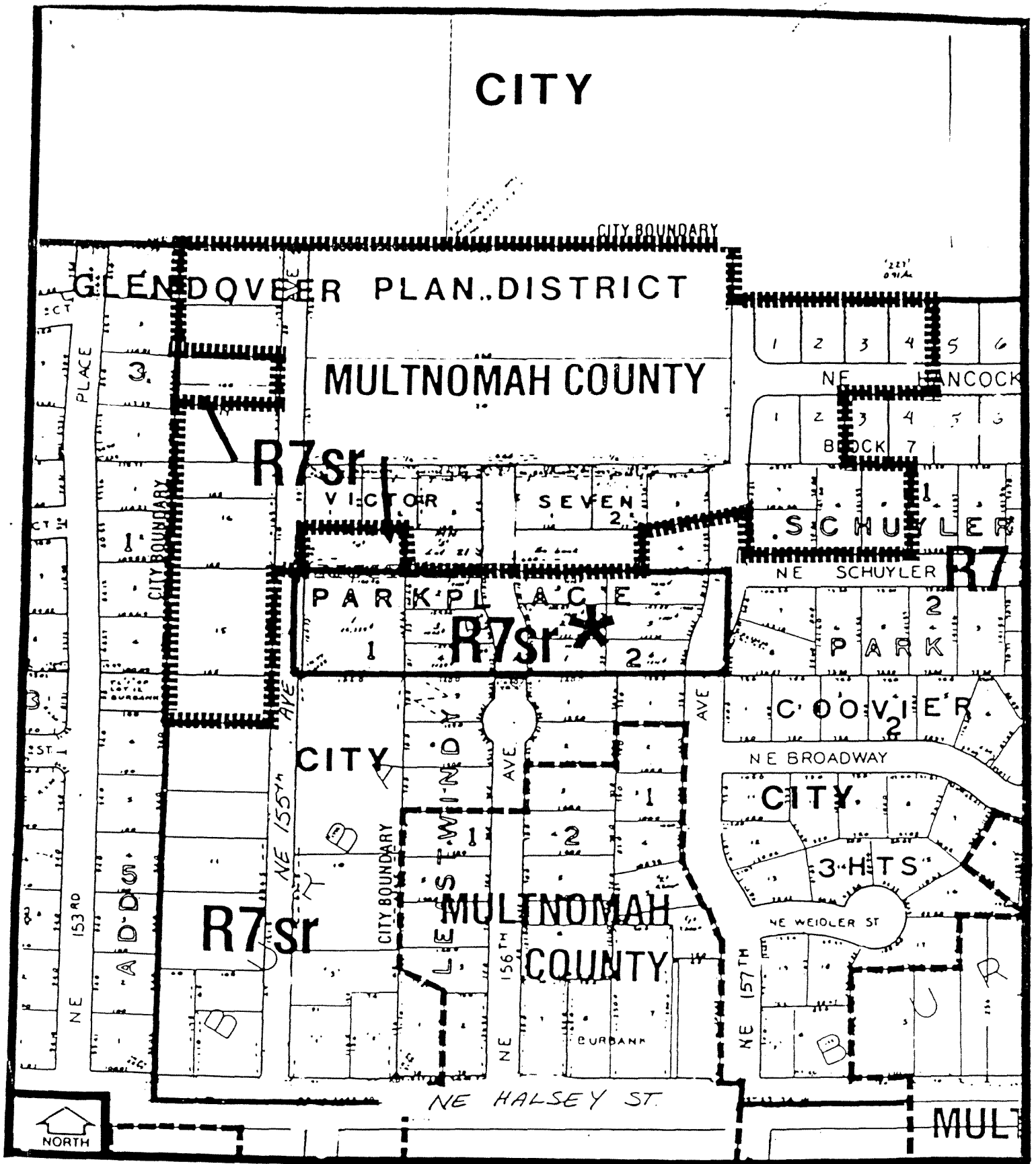
91 properties

162 propowners

1:400

2.4 properties

\$6,383,400 assessed value



South Wilkes #1

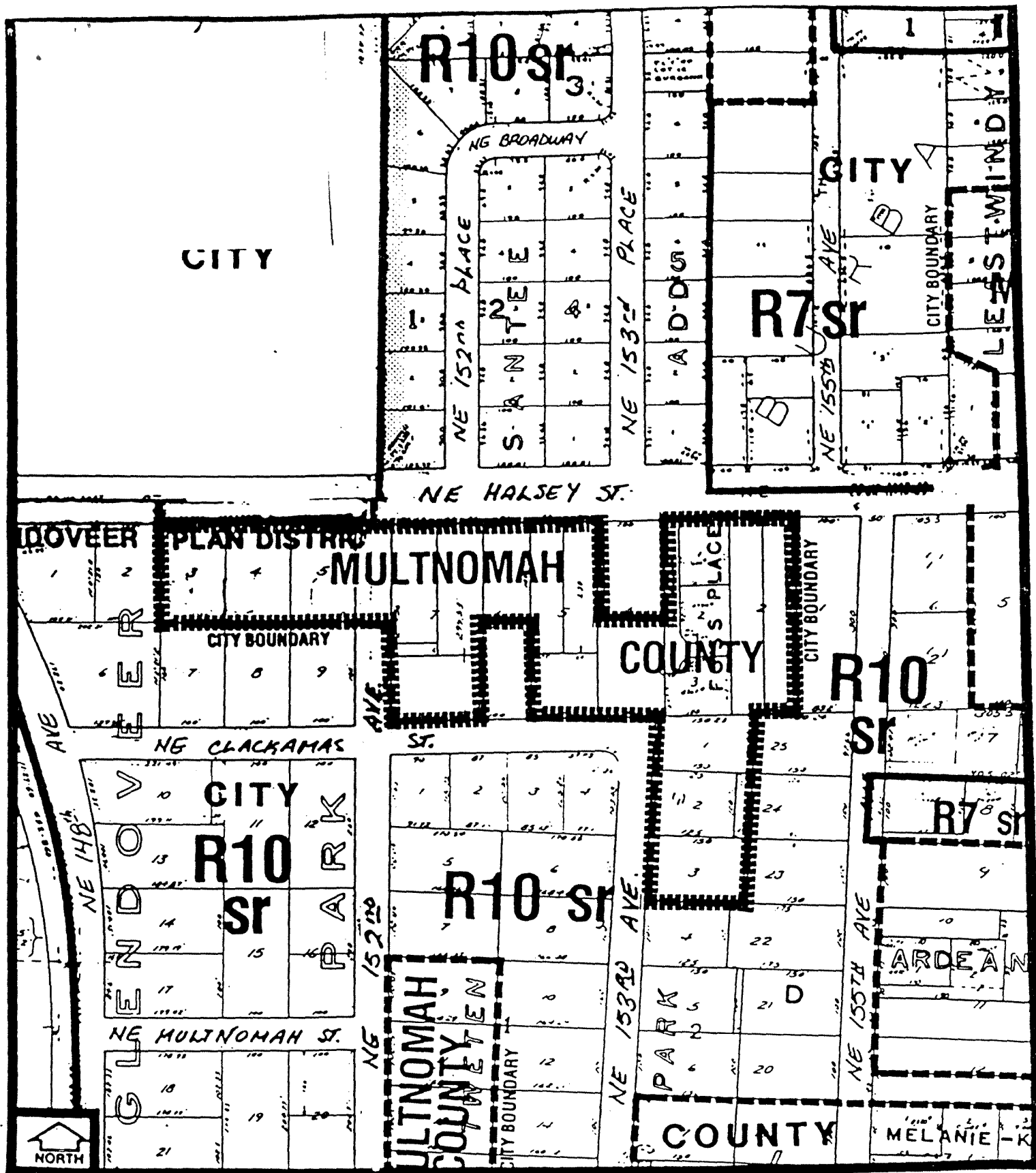
MAP 21 INTENT AREA 21 S. WILKES I-1

27 properties

47 property owners 1:200

11.1 acres

\$1,689,100



South Wilkes # 2

MAP 21 INTENT AREA 21 S. WILKES I-2

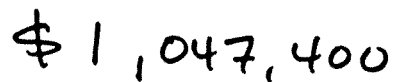
20 properties

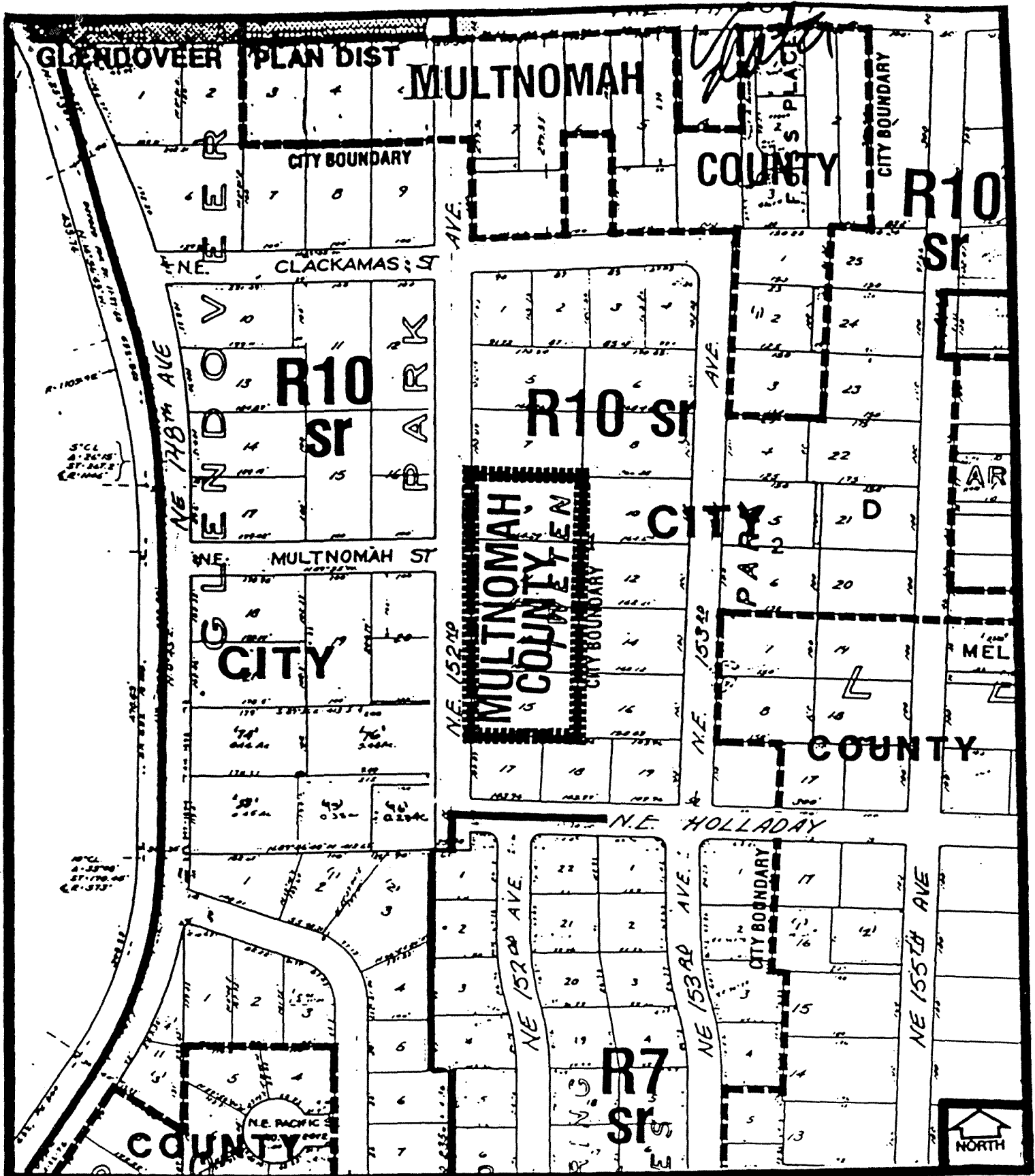
5.5 acres

45 est. pop

1:200

\$994,500





South Wilkes #4

MAP 21 INTENT AREA 21 S. WILKES I-4

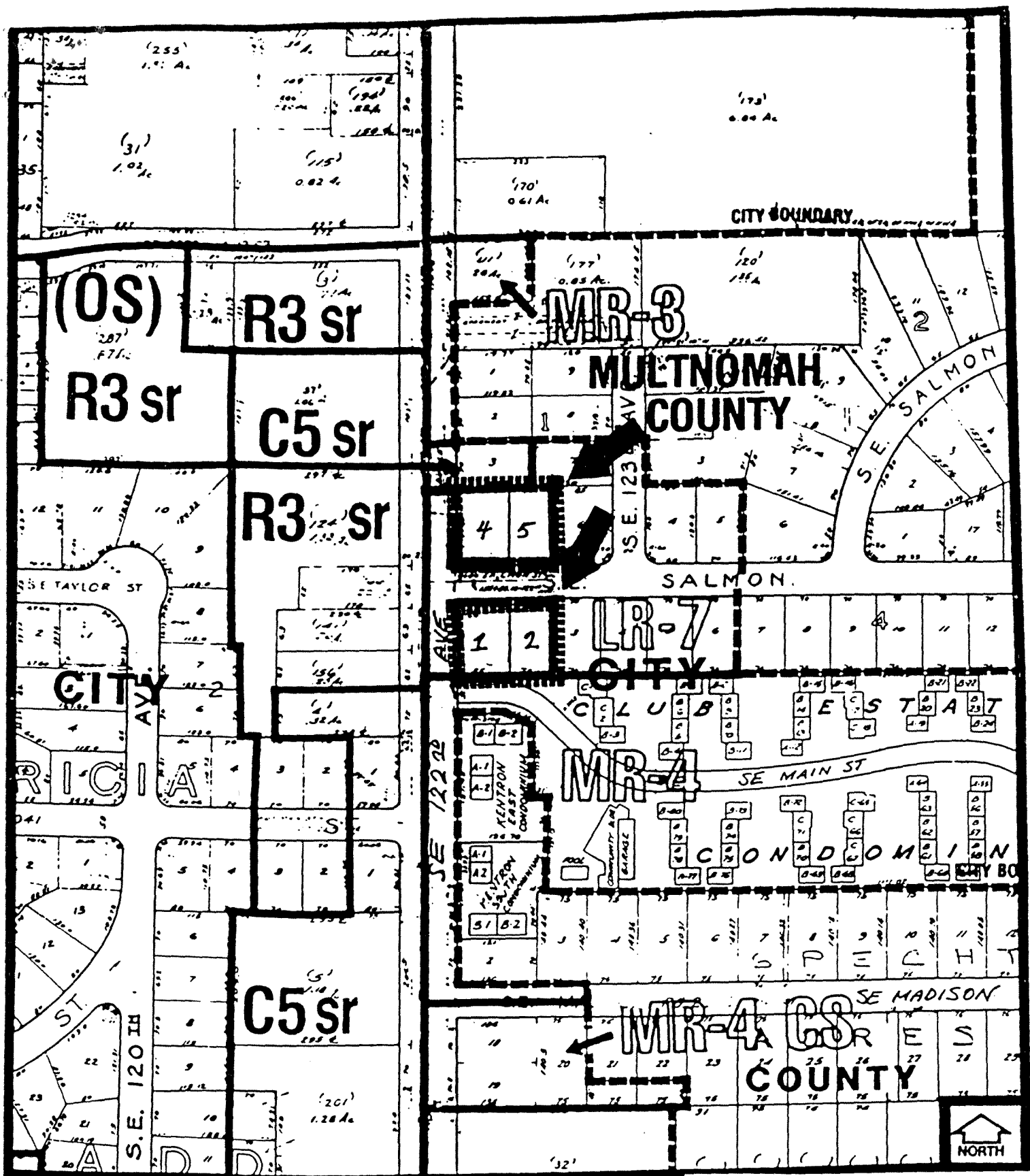
4 properties

est population 9

1:200

1.5 acres

\$380,000



122nd + Salmon St.

MAP 22 INTENT AREA 22

4 properties  
.6 acre

1:200  
9 estimated population