



*REPORT OF INDEPENDENT AUDITORS AND  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS*

*FOR*

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

June 30, 2017

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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 aggregate discretely presented component units, 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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 15, 2017.

## **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moss Adams, LLP*

Eugene, Oregon

November 15, 2017

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

The City Council  
City of Portland, Oregon

## **Report on Compliance for Each Major Federal Program**

We have audited the City of Portland, Oregon's (the City) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated November 1, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Moss Adams, LLP*

Eugene, Oregon  
November 15, 2017

# City of Portland, Oregon

## Schedule of Expenditures of Federal Awards

### Year Ended June 30, 2017

Federal Grantor	Federal CFDA Number/Program Title/Pass Through Agency/Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
<b>DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE</b>					
10.558	Child and Adult Care Food Program				
	Passed through:				
	Oregon Department of Education				
	After School Meal Program	26 16026	\$ 59,748	\$ -	\$ 59,748
<b>Total 10.558</b>	<b>Child and Adult Care Food Program</b>		<b>59,748</b>	<b>-</b>	<b>59,748</b>
<b>TOTAL DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE</b>			<b>59,748</b>	<b>-</b>	<b>59,748</b>
<b>DEPARTMENT OF COMMERCE</b>					
<b>Economic Development Cluster</b>					
11.307	Economic Adjustment Assistance-Recovery				
	Direct Programs:				
	EDA Revolving Loan Fund	07-39-02259	2,423,622	-	2,423,622
<b>Total 11.307</b>	<b>Economic Adjustment Assistance-Recovery</b>		<b>2,423,622</b>	<b>-</b>	<b>2,423,622</b>
<b>Total Economic Development Cluster</b>			<b>2,423,622</b>	<b>-</b>	<b>2,423,622</b>
11.619	Arrangements of Interdisciplinary Research Infrastructure				
	Direct Program				
	Low-Cost Urban Air Quality Measurements.	70NANB16H258	51,458	-	51,458
<b>Total 11.619</b>	<b>Arrangements of Interdisciplinary Research Infrastructure</b>		<b>51,458</b>	<b>-</b>	<b>51,458</b>
<b>TOTAL DEPARTMENT OF COMMERCE</b>			<b>2,475,080</b>	<b>-</b>	<b>2,475,080</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					
<b>Community Development Block Grants/Entitlement Grants Cluster</b>					
14.218	Community Development Block Grants/Entitlement Grants				
	Direct Programs:				
	CDBG		4,668,577	4,060,414	8,728,991
	Passed through:				
	City of Gresham				
	Gresham CDBG 16-17	N/A	10,069	-	10,069
	Multnomah County				
	Mult. Co. CDBG 16-17	N/A	3,426	-	3,426
	Oregon Housing and Community Svcs				
	Neighborhood Stabilization Program 2011/2012	B-11-DN-41-001	-	(61,294)	(61,294)
	US Department of HUD				
	Neighborhood Stabilization Program 2011/2012 Program Income	B-11-DN-41-001	-	64,164	64,164
<b>Subtotal 14.218</b>	<b>Community Development Block Grants/Entitlement Grants</b>		<b>4,682,072</b>	<b>4,063,284</b>	<b>8,745,356</b>
<b>Total Community Development Block Grants/Entitlement Grants Cluster</b>			<b>4,682,072</b>	<b>4,063,284</b>	<b>8,745,356</b>
14.231	Emergency Shelter Grants Program				
	Direct Programs:				
	ESG		638,491	-	638,491
<b>Total 14.231</b>	<b>Emergency Shelter Grants Program</b>		<b>638,491</b>	<b>-</b>	<b>638,491</b>
14.239	HOME Investment Partnerships Program				
	Direct Programs:				
	HOME Loan Balance		59,996,706	-	59,996,706
	HOME		2,614,756	1,748,734	4,363,490
<b>Total 14.239</b>	<b>HOME Investment Partnerships Program</b>		<b>62,611,462</b>	<b>1,748,734</b>	<b>64,360,196</b>
14.241	Housing Opportunities for Persons with AIDS				
	Direct Programs:				
	HOPWA		1,020,829	-	1,020,829
<b>Total 14.241</b>	<b>Housing Opportunities for Persons with AIDS</b>		<b>1,020,829</b>	<b>-</b>	<b>1,020,829</b>
14.267	Supportive Housing Program				
	Direct Programs:				
	HMIS 17-18	OR0025L0E011609	45,209	-	45,209
	Continuum of Care (CoC) Planning Grant 15-16	OR-0196-L0-E0-11400	32	-	32
	HMIS 16-17	OR-0025-L0-E0-11508	195,722	-	195,722
<b>Total 14.267</b>	<b>Supportive Housing Program</b>		<b>240,963</b>	<b>-</b>	<b>240,963</b>
14.905	Lead Hazard Reduction Demonstration Grant Program				
	Direct Programs:				
	13-14-Lead Hazard Control 2013	ORLHD0256-13	787,392	19,035	806,427
<b>Total 14.905</b>	<b>Lead Hazard Reduction Demonstration Grant Program</b>		<b>787,392</b>	<b>19,035</b>	<b>806,427</b>
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			<b>69,981,209</b>	<b>5,831,053</b>	<b>75,812,262</b>



# City of Portland, Oregon

## Schedule of Expenditures of Federal Awards

### Year Ended June 30, 2017

Federal Grantor	Federal CFDA Number/Program Title/Pass Through Agency/Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
<b>DEPARTMENT OF THE INTERIOR FISH AND WILDLIFE SERVICE</b>					
Fish and Wildlife Cluster					
15.605	Sport Fish Restoration				
	Passed through:				
	ODFW				
	Low-Cost Urban Air Quality Measurements.	F15AF01238	293,413	-	293,413
<b>Total 15.605</b>	<b>Sport Fish Restoration</b>		<b>293,413</b>	<b>-</b>	<b>293,413</b>
Total Fish and Wildlife Cluster			293,413	-	293,413
<b>TOTAL DEPARTMENT OF THE INTERIOR FISH AND WILDLIFE SERVICE</b>			<b>293,413</b>	<b>-</b>	<b>293,413</b>
<b>NATIONAL PARK SERVICE</b>					
15.904	Historic Preservation Fund Grants in Aid				
	Passed through:				
	State Parks and Recreation, Oregon				
	State Historic Preservation Grant FY 2016/2017	OR-16-16	12,000	-	12,000
<b>Total 15.904</b>	<b>Historic Preservation Fund Grants in Aid</b>		<b>12,000</b>	<b>-</b>	<b>12,000</b>
15.916	Outdoor Recreation Acquisition, Development and Planning				
	Passed through:				
	Oregon Parks and Recreation Department				
	Thomas Cully Park Development	NPS 41-01593;OP	259,077	-	259,077
<b>Total 15.916</b>	<b>Outdoor Recreation Acquisition, Development and Planning</b>		<b>259,077</b>	<b>-</b>	<b>259,077</b>
<b>TOTAL NATIONAL PARK SERVICE</b>			<b>271,077</b>	<b>-</b>	<b>271,077</b>
<b>DEPARTMENT OF JUSTICE</b>					
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders				
	Passed through:				
	Multnomah County				
	DVERT 2015-Mult Co. Domestic Violence Enhanced Response Team	4400001525/2014WE	30,645	-	30,645
<b>Total 16.590</b>	<b>Grants to Encourage Arrest Policies and Enforcement of Protection Orders</b>		<b>30,645</b>	<b>-</b>	<b>30,645</b>
16.734	Special Data Collections and Statistical Studies				
	Direct Programs:				
	16 National Crime Statistics Exchange Implementation Assistance Program	2016-FU-CX-K055	92,027	-	92,027
<b>Total 16.734</b>	<b>Special Data Collections and Statistical Studies</b>		<b>92,027</b>	<b>-</b>	<b>92,027</b>
16.738	Edward Byrne Memorial Justice Assistance Grant Program				
	Direct Programs:				
	Justice Assistance Grant - 16		-	303,364	303,364
	Justice Assistance Grant-15 w/Mult.Co.(DA,CommunityJustice,Sheriff),Grshn,Lifewks	2015-DJ-BX-0532	-	112,991	112,991
	Justice Assistance Grant 2013 w/Mult.Co.(DA,CommunityJustice,Sheriff) & Gresham	2013-DJ-BX-0329	56,391	-	56,391
	Justice Assistance Grant-14 w/Mult.Co.(DA,CommunityJustice,Sheriff),Grshn,Lifewks	2014-DJ-BX-1158	79,444	2,395	81,839
<b>Total 16.738</b>	<b>Edward Byrne Memorial Justice Assistance Grant Program</b>		<b>135,835</b>	<b>418,750</b>	<b>554,585</b>
16.751	Edward Byrne Memorial Competitive Grant Program				
	Direct Programs:				
	BJA Sexual Assault Kit Initiative	2015 AK-BX-K020	105,833	-	105,833
	FY13 Smart Policing Initiative	2014-WY-BX-0004	175,291	-	175,291
<b>Total 16.751</b>	<b>Edward Byrne Memorial Competitive Grant Program</b>		<b>281,124</b>	<b>-</b>	<b>281,124</b>
16.752	Economic High-Tech and Cyber Crime Prevention				
	Direct Programs:				
	FY14 Intellectual Property Crime Enforcement Program	2015-BE-BX-0005	31,191	24,998	56,189
<b>Total 16.752</b>	<b>Economic High-Tech and Cyber Crime Prevention</b>		<b>31,191</b>	<b>24,998</b>	<b>56,189</b>
16.833	National Sexual Assault Kit Initiative				
	Direct Programs:				
	FY15 Sexual Assault Kit Initiative (SAKI)	2015 AK-BX-K020	115,750	172,758	288,508
<b>Total 16.833</b>	<b>National Sexual Assault Kit Initiative</b>		<b>115,750</b>	<b>172,758</b>	<b>288,508</b>
16.922	Equitable Sharing Program				
	Direct Programs:				
	Asset Forfeiture	N/A	127,116	-	127,116
<b>Total 16.922</b>	<b>Equitable Sharing Program</b>		<b>127,116</b>	<b>-</b>	<b>127,116</b>
<b>TOTAL DEPARTMENT OF JUSTICE</b>			<b>813,688</b>	<b>616,506</b>	<b>1,430,194</b>

# City of Portland, Oregon

## Schedule of Expenditures of Federal Awards

### Year Ended June 30, 2017

Federal Grantor	Federal CFDA Number/Program Title/Pass Through Agency/Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
<b>DEPARTMENT OF TRANSPORTATION</b>					
20.200	Highway Research and Development Program				
	Direct Programs:				
	Smart Cities	DTFH6116H00011	(75,000)	-	(75,000)
<b>Total 20.200</b>	<b>Highway Research and Development Program</b>		<b>(75,000)</b>	<b>-</b>	<b>(75,000)</b>
<b>Highway Planning and Construction Cluster</b>					
20.205	Highway Planning and Construction				
	Passed through:				
	ODOT				
		ODOT			
	SPRINGWATER TRAIL GAP SE UMATILLA TO SE 13TH AVE	#29674/KEY#18416	51,513	-	51,513
	Red Electric Trail: SW Bertha to SW Vermont Section - T00274	28038/21492	(25,512)	-	(25,512)
	NE Columbia Blvd at OR 99E (MLK Jr. Blvd) - T00024	27883	148,697	-	148,697
	Holgate & Ramona: 122nd to 136th Ave Sidewalks (T00305)	28129/21492	(80,467)	-	(80,467)
	Active Corridor Management - T00363	28591/21492	301,322	-	301,322
	Bike Share Development	N/A	2,105,968	-	2,105,968
	East Portland Access to Transit Project (T00383)	28473/26586	195,561	-	195,561
	20's Bikeway: NE Lombard-SE Harney Drive (T00338)	29636/26586	1,096,686	-	1,096,686
	Portland SRTS 2014 HU-14-10-10	HU-14-10-10	1,096	-	1,096
	Widen Burgard Rd add in bicycle lanes & sidewalks (T00386)	29815/26586	52,099	-	52,099
	Marine Drive Trail-CMAQ (T00437)-LGIP	29770/26586	68,535	-	68,535
	Growing Transit Communities TGM	30532/TG15LA02	(33)	-	(33)
	Vision Zero Safety Plan	RS-16-77-06	55,301	-	55,301
	Columbia Blvd ITS N/NE Project	N/A	678	-	678
	Southwest In Motion	N/A	37,657	-	37,657
	HSIP & Ops Safety Bike/Ped Improvements	N/A	155,875	-	155,875
	Downtown I-405 Ped Safety & Improvements	N/A	75,195	-	75,195
	St Johns Truck Strategy Phase II	31093/30890	253,853	-	253,853
	Connected Cully, NE	N/A	253,744	-	253,744
	Foster: Powell 90th, SE	N/A	429,846	-	429,846
	SE 122nd Avenue: Johnson Creek Bridge Replacement	N/A	283,739	-	283,739
	Columbia Blvd: Cully Blvd & Alderwood Rd	N/A	903	-	903
	Central City Multi-Modal Safety	N/A	114,456	-	114,456
	East Portland Access to Employment and Education	N/A	218,375	-	218,375
	Safe Routes to Schools	N/A	38,231	-	38,231
	Enhanced Transit Corridor	N/A	21,628	-	21,628
	ODOT Traffic Safety Division				
	2015-17 ODOT Workzone BBB	1517WKZN-421 BBB	24,295	-	24,295
<b>Total 20.205</b>	<b>Highway Planning and Construction</b>		<b>5,879,241</b>	<b>-</b>	<b>5,879,241</b>
<b>Total Highway Planning and Construction Cluster</b>			<b>5,879,241</b>	<b>-</b>	<b>5,879,241</b>
20.319	High-Speed Rail Corridors and Intercity Passenger Rail Service-Capital Assistance Grants				
	Passed through:				
	ODOT				
	Portland Union Station Tracks & Building PE/NEPA	PDC	503,075	-	503,075
<b>Total 20.319</b>	<b>High-Speed Rail Corridors and Intercity Passenger Rail Service-Capital Assistance Grants</b>		<b>503,075</b>	<b>-</b>	<b>503,075</b>
<b>Federal Transit Cluster</b>					
20.507	Federal Transit_Formula Grants				
	Passed through:				
	Metro				
	Active Portland: Open Streets, Connected Communities	933338	238,742	-	238,742
	TRIMET				
	Trimet Imprv Transit Bus Stops	OR-95-X008	19,124	-	19,124
<b>Total 20.507</b>	<b>Federal Transit_Formula Grants</b>		<b>257,866</b>	<b>-</b>	<b>257,866</b>
<b>Total Federal Transit Cluster</b>			<b>257,866</b>	<b>-</b>	<b>257,866</b>

# City of Portland, Oregon

## Schedule of Expenditures of Federal Awards

### Year Ended June 30, 2017

Federal Grantor	Federal CFDA Number/Program Title/Pass Through Agency/Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
<b>Highway Safety Cluster</b>					
20.600	State and Community Highway Safety				
	Passed through:				
	ODOT Traffic Safety Division				
	2017 ODOT Speed Grant	SC-17-35-11	9,115	-	9,115
	2016 ODOT/TSD Speed Grant	SC-16-35-11	11,872	-	11,872
<b>Total 20.600</b>	<b>State and Community Highway Safety</b>		<b>20,987</b>	<b>-</b>	<b>20,987</b>
<b>20.616 National Priority Safety Programs</b>					
	Passed through:				
	ODOT				
	ODOT Safetybelt Grant 2016-17	M1HVE-17-46-03 RRR	11,809	-	11,809
	OR Impact DUII 2017	N/A	51,019	-	51,019
	ODOT Safetybelt Grant 2015-16	M1HVE-16-46-03 XXX	17,606	-	17,606
<b>Total 20.616</b>	<b>National Priority Safety Programs</b>		<b>80,434</b>	<b>-</b>	<b>80,434</b>
<b>Total Highway Safety Cluster</b>			<b>101,421</b>	<b>-</b>	<b>101,421</b>
<b>20.608 Minimum Penalties for Repeat Offenders for Driving While Intoxicated</b>					
	Passed through:				
	ODOT Traffic Safety Division				
	2017 ODOT DISP	164AL-17-14-17	26,248	-	26,248
	ODOT DISP 2016	164AL-16-14-17	10,712	-	10,712
	Oregon Impact DUII HVE OT 2015-16	164AL-16-14-36	43,958	-	43,958
<b>Total 20.608</b>	<b>Minimum Penalties for Repeat Offenders for Driving While Intoxicated</b>		<b>80,918</b>	<b>-</b>	<b>80,918</b>
<b>20.703 Interagency Hazardous Materials Public Sector Training and Planning Grants</b>					
	Passed through:				
	Department of State Police				
	AHLS & Tox-Medic Trainings	2016-HMEP	2,000	-	2,000
<b>Total 20.703</b>	<b>Interagency Hazardous Materials Public Sector Training and Planning Grants</b>		<b>2,000</b>	<b>-</b>	<b>2,000</b>
<b>TOTAL DEPARTMENT OF TRANSPORTATION</b>			<b>6,749,521</b>	<b>-</b>	<b>6,749,521</b>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>					
66.818	Brownfields Assessment and Cleanup Cooperative Agreements				
	Direct Programs:				
	Brownfields Community Wide Assessment for Hazardous Substances and Petroleum	BF-01J23801-0	4,959	-	4,959
	EPA Brownfield 2011 Revolving Loan Fund-subfund 217011	BF-00J45201	47,345	-	47,345
<b>Total 66.818</b>	<b>Brownfields Assessment and Cleanup Cooperative Agreements</b>		<b>52,304</b>	<b>-</b>	<b>52,304</b>
<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>			<b>52,304</b>	<b>-</b>	<b>52,304</b>
<b>DEPARTMENT OF ENERGY</b>					
81.117	Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Asst				
	Direct Programs:				
	Cities Leading through Energy Analysis and Planning	DE-EE0007737	75,715	90,183	165,898
<b>Total 81.117</b>	<b>Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Asst</b>		<b>75,715</b>	<b>90,183</b>	<b>165,898</b>
<b>TOTAL DEPARTMENT OF ENERGY</b>			<b>75,715</b>	<b>90,183</b>	<b>165,898</b>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>					
94.024	Social Innovation Fund Pay for Success				
	Passed through:				
	University of Utah				
	Pay for Success innovation-Green Building Initiatives	14PSHUT001	-	76,710	76,710
<b>Total 94.024</b>	<b>Social Innovation Fund Pay for Success</b>		<b>-</b>	<b>76,710</b>	<b>76,710</b>
<b>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>			<b>-</b>	<b>76,710</b>	<b>76,710</b>

# City of Portland, Oregon

## Schedule of Expenditures of Federal Awards

### Year Ended June 30, 2017

Federal Grantor	Federal CFDA Number/Program Title/Pass Through Agency/Identifying Name	Identifying Number	Direct Expenditures	Pass-Through Expenditures to Subrecipients	Total Federal Expenditures
<b>EXECUTIVE OFFICE OF THE PRESIDENT</b>					
95.001	High Intensity Drug Trafficking Areas Program				
	Passed through:				
	Department of Justice/HIDTA				
	HIDTA 2014-Portland Area Metro Gang Task Force	GR14OR0002A	4,135	-	4,135
	HIDTA 2015 DVD Interdiction Team	GR15OR0002A	27,732	-	27,732
<b>Total 95.001</b>	<b>High Intensity Drug Trafficking Areas Program</b>		<b>31,867</b>	<b>-</b>	<b>31,867</b>
<b>TOTAL EXECUTIVE OFFICE OF THE PRESIDENT</b>			<b>31,867</b>	<b>-</b>	<b>31,867</b>
<b>DEPARTMENT OF HOMELAND SECURITY</b>					
97.008	Non-Profit Security Program				
	Passed through:				
	Oregon Office of Emergency Management				
	Urban Area Security Initiative - UASI 2014	14-170	3,454	-	3,454
<b>Subtotal 97.008</b>	<b>Non-Profit Security Program</b>		<b>3,454</b>	<b>-</b>	<b>3,454</b>
97.036	Disaster Grants-Public Assistance				
	Passed through:				
	Oregon Office of Emergency Management				
	FEMA Winter Storm 2015-Water	DR-4258-OR-PW 155	5,271	-	5,271
<b>Subtotal 97.36</b>	<b>Disaster Grants-Public Assistance</b>		<b>5,271</b>	<b>-</b>	<b>5,271</b>
97.042	Emergency Management Performance Grants				
	Passed through:				
	Oregon Office of Emergency Management				
	EMPG 2015	15-544	(347)	-	(347)
	Emergency Management Preparedness Grant	16-544	284,565	-	284,565
<b>Total 97.042</b>	<b>Emergency Management Performance Grants</b>		<b>284,218</b>	<b>-</b>	<b>284,218</b>
97.044	Assistance to Firefighters Grant				
	Direct Programs:				
	2014 Fire Prevention & Safety: Hearing Impairment Campaign	EMW-2014-FP-00307	30,029	-	30,029
<b>Total 97.044</b>	<b>Assistance to Firefighters Grant</b>		<b>30,029</b>	<b>-</b>	<b>30,029</b>
97.047	Pre-Disaster Mitigation				
	Passed through:				
	Oregon Office of Emergency Management				
	Portland Residential Seismic Strengthening Project	EMS-2016-PC-0001	-	265,680	265,680
	Pre-Disaster Mitigation Grant FY 2013: Natural Hazard Mitigation Plan	PDMC-PL-10-OR-2013-003	57,956	-	57,956
<b>Total 97.047</b>	<b>Pre-Disaster Mitigation</b>		<b>57,956</b>	<b>265,680</b>	<b>323,636</b>
97.067	Homeland Security Grant Program				
	Passed through:				
	Oregon Office of Emergency Management				
	Urban Area Security Initiative 2015	15-170	866,646	129,709	996,355
	State Homeland Security Program FY 15/16	15-249	4,005	-	4,005
	SHSP 2016 MEDU Joint State Bomb Teams Equip/Training	16-251	121,157	-	121,157
	OEM-SHSP 2015 MEDU Joint State Bomb Team Equip/Training	15-250	133,772	-	133,772
<b>Total 97.067</b>	<b>Homeland Security Grant Program</b>		<b>1,125,580</b>	<b>129,709</b>	<b>1,255,289</b>
<b>TOTAL DEPARTMENT OF HOMELAND SECURITY</b>			<b>1,506,508</b>	<b>395,389</b>	<b>1,901,897</b>
<b>Total Federal Expenditures</b>					<b>\$ 89,319,971</b>

**City of Portland, Oregon**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2017**

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**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, 2017. 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, 2017 consists of:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Outstanding Balance at June 30, 2017</u>
14.239	U.S. Department of Housing and Urban Development HOME Investment Partnerships Program	\$ 59,996,706

**Note 4 – Election of De Minimis Indirect Rate**

During the current year end, June 30, 2017, the City did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**City of Portland, Oregon**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2017**

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**Note 5 – Homeland Security Grant Program**

The Homeland Security Grant Program, CFDA 97.067, is comprised of several component programs that have been merged or consolidated into the Homeland Security Grant Program, including but not limited to the Urban Areas Security Initiative Program (UASI). According to the OMB Compliance Supplement, this program was previously reported under CFDA 97.008. Program guidance for this program dictates that when completing the Schedule of Expenditures of Federal Awards (SEFA), recipients should record their expenditures using the CFDA number shown on the legal award document for the period in which the funds were awarded. Subawards issued by the primary grantee are legally binding agreements, and, therefore, CFDA numbers cited by the grantee in the subgrant award must be used by the subgrantee as the CFDA reference in the SEFA. As a result, the City has presented expenditures of federal awards for the UASI program under CFDA 97.008, as shown on the legal award document for the program.

The total expenditures of federal awards for this program has been reported together in the SEFA under the Homeland Security Grant Program where it has been merged in to this program along with the expenditures of federal awards listed under CFDA 97.067 during the current year.

**Note 6 – Economic Adjustment Assistance Program**

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

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

**City of Portland, Oregon**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2017**

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**Note 6 – Economic Adjustment Assistance Program (continued)**

The figures used in this calculation to arrive at the RLF amount to be shown on the SEFA are as of June 30, 2017, and the calculation is as follows:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Outstanding Balance at June 30, 2017</u>
11.307	Department of Commerce Economic Adjustment Assistance Program - EDA revolving Loan Fund 2017	\$ 2,423,622
	<u>Revolving Loan Fund Calculation</u>	
	Loans Receivable	1,180,800
	Cash	1,234,583
	Restricted Cash	-
	Administrative Costs	57,701
	Loan Write-Offs - Unpaid Principal	-
		<u>2,473,084</u>
	Federal Participation Rate	<u>98%</u>
	Federal Share of Revolving Loan Fund	<u><u>\$ 2,423,622</u></u>

**City of Portland, Oregon**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2017**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported
- Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

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

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor’s Report Issued on Compliance for Major Federal Programs</i>
14.239	Home Investment Partnerships Program	Unmodified
14.905	Lead Hazard Reduction Demonstration Grant Program	Unmodified
97.067	Homeland Security Grant Program	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee?  Yes  No

**Section II – Financial Statement Findings**

None reported

**Section III – Federal Award Findings and Questioned Costs**

None reported