

# CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

## Policy Session Worksheet

**Presentation Date:** April 21<sup>st</sup>, 2015      **Approximate Start Time:** 11:00am  
**Approximate Length:**                      **30Min.**

**Presentation Title:** Results of the June 30, 2014 Annual Audits

**Department:** Finance

**Presenters:** Christa Bosserman Wolfe, CPA, Audit Manager; Micah Clinger, CPA, Senior Manager, Moss Adams; Jim Lanzarotta, CPA, Partner, Moss Adams

**Other Invitees:** Marc Gonzales, Finance Director; David Bodway, Finance Manager; Drew Bisenius, CPA, Senior Accountant

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Receipt and acknowledgement of the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2014.

EXECUTIVE SUMMARY (why and why now):

Each year after completion of the Clackamas County annual audit, the independent audit firm contracted to perform the work provides the Clackamas County Audit Committee with a report of audit results.

The fiscal year after ended June 30, 2014 was audited by the independent audit firm of Moss Adams, LLP. The documents produced and presented for review include:

- 2014 Clackamas County Comprehensive Annual Financial Report (CAFR)
- 2014 Clackamas County Audit of Federal Awards

These documents have been posted online and can be viewed in electronic format on the Clackamas County website at <http://www.clackamas.us/finance/finance.htm>

The Clackamas County Audit Manager will introduce the Partner and Senior Manager from the audit Firm.

Audit Accomplishments

- Audit the County's (and component units) financial statements in accordance with Generally Accepted Auditing Standards (GAAS) and Generally Accepted Government Auditing Standards (GAGAS)
- Assistance with CAFR preparation
- Technical review of the CAFR for compliance with Generally Accepted Accounting Principles (GAAP) as well as GFOA Certificate of Excellence requirements
- Compliance testing/ reporting under Oregon Minimum Audit Standards
- Single Audit of federal grant programs under OMB Circular A-133 and the Single Audit Act

- Audit reports completed and filed prior to the statutory deadlines
- Reporting to Audit Committee

Audit Action Plan

- County management resolution to the audit findings reported
- Issue all fiscal year end 2014-15 reports prior to the statutory deadline

FINANCIAL IMPLICATIONS (current year and ongoing):  
N/A

LEGAL/POLICY REQUIREMENTS:  
N/A

PUBLIC/GOVERNMENTAL PARTICIPATION:  
N/A

OPTIONS:  
N/A

**RECOMMENDATION:**  
N/A

ATTACHMENTS:  
N/A

SUBMITTED BY:  
Division Director/Head Approval \_\_\_\_\_  
Department Director/Head Approval \_\_\_\_\_  
County Administrator Approval \_\_\_\_\_

For information on this issue or copies of attachments, please contact Christa Bosserman Wolfe @ 503-742-5407
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## Fiscal Impact Form

**RESOURCES:**

Is this item in your current work plan and budget?

- YES  
 NO

**START-UP EXPENSES AND STAFFING (if applicable):**

N/A

**ONGOING OPERATING EXPENSES/SAVINGS AND STAFFING (if applicable):**

N/A

**ANTICIPATED RESULTS:**

N/A

**COSTS & BENEFITS:**

Costs:							
	Item	Hours	Start-up Capital	Other Start-up	Annual Operations	Annual Capital	TOTAL
	N/A						
<b>Total Start-up Costs</b>							
<b>Ongoing Annual Costs</b>							
Benefits/Savings:							
	Item	Hours	Start-up Capital	Other Start-up	Annual Operations	Annual Capital	TOTAL
	N/A						
<b>Total Start-up Benefit/Savings</b>							
<b>Ongoing Annual Benefit/Savings</b>							



# 2014 AUDIT RESULTS for Clackamas County

April 21, 2015

**MOSS ADAMS** LLP

Certified Public Accountants | Business Consultants

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# NATURE OF SERVICES PROVIDED

1

Audit the County's (and component units) financial statements in accordance with GAAS and GAGAS

2

Assistance with CAFR preparation

3

Technical review of the CAFR for compliance with GAAP as well as GFOA Certificate of Excellence requirements

4

Compliance testing/reporting under Oregon Minimum Audit Standards

# NATURE OF SERVICES PROVIDED

5

Single Audit of federal grant programs under OMB Circular A-133 and the Single Audit Act

6

Reporting - Overall audit plan, audit results, communicating internal controls findings and noncompliance

# AUDIT REPORTS COMPLETED AND FILED BY STATUTORY DEADLINES

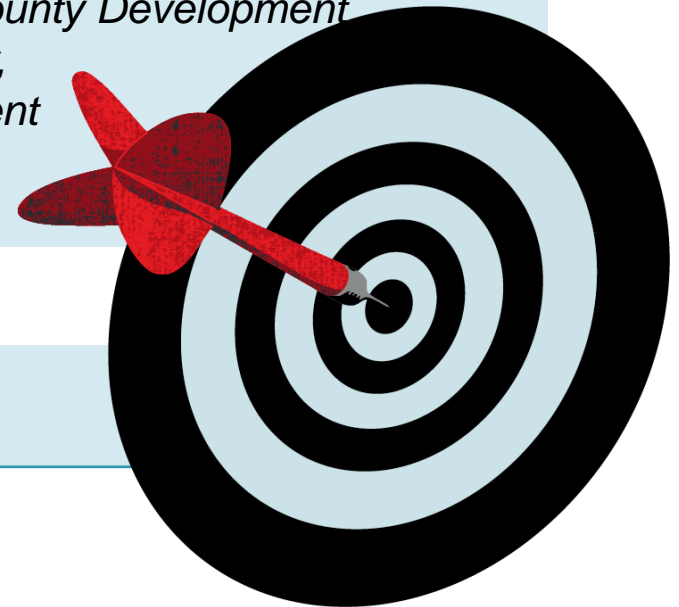
***Issued by September 30, 2014*** - Enhanced Law Enforcement District, Extension 4-H Service District, Library Service District and Service District No. 5

***Issued October 31, 2014*** - North Clackamas Parks and Rec District

***Issued by November 30, 2014*** – Clackamas County Development Agency, Housing Authority of Clackamas County, Service District No. 1, Surface Water Management Agency of Clackamas County, and Service District No. 1

***Issued December 23, 2014*** – County CAFR

***Issued February 26, 2015*** – County Federal Awards Audit



# AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS



Unmodified  
opinions for each  
financial statement

- Financial statements are presented fairly and in accordance with US GAAP
- GFOA Certificate of Excellence requirements met




# OTHER AUDITOR'S REPORTS



GAGAS Reports on  
*Internal Control over  
Financial Reporting* and  
on **Compliance** and  
**Other Matters**

- Two financial reporting findings
  - *SD No. 5 – Unrecorded capital assets (Significant Deficiency over internal control)*
  - *County – Transferred property (Significant Deficiency over internal control)*
- No compliance findings

# OTHER AUDITOR'S REPORTS



Report on Compliance with Requirements That Could Have a ***Direct and Material Effect on Each Major Federal Program and on Internal Control over Compliance*** in Accordance with OMB Circular A-133

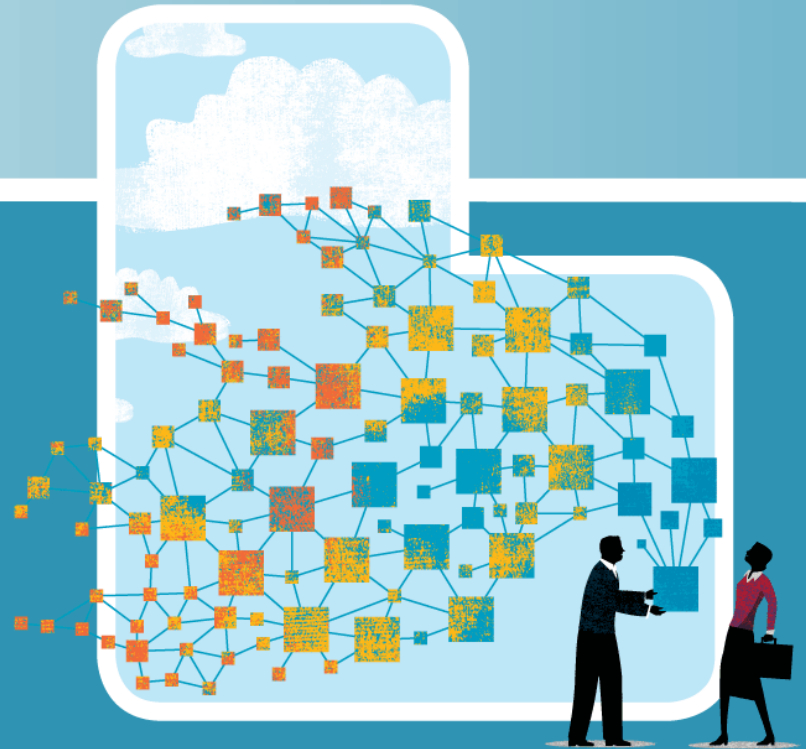
- Two A-133 compliance findings
  - *County's Block Grants for Community Mental Health Services and Prevention and Treatment of Substance Abuse*
  - *Allowable costs with payroll reporting (Qualified opinions and Material Weakness over internal control)*
  - *County 's Aging Cluster*
  - *Subrecipient monitoring (Unmodified opinion and Significant Deficiency over internal control)*

# OREGON MINIMUM STANDARDS REPORT

- Excess expenditures over appropriations
  - County – 11 instances of noncompliance
- Deficit fund balance
  - County – 3 governmental funds
- Lack of reporting one new depository to State Treasury

# ACKNOWLEDGEMENTS

Thanks to Marc Gonzales, Christa Wolfe, David Bodway, Drew Bisenius, other finance staff, and other County departments for assistance.



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