

School District No. 1J, Multnomah County, Oregon

**PORTLAND PUBLIC SCHOOLS**



**REPORT ON REQUIREMENTS OF THE SINGLE  
AUDIT ACT AND OMB CIRCULAR A-133**

For the year ended June 30, 2015



Artist's rendering of the combined Faubion Elementary-Concordia  
University building, scheduled to open September 2017

## About the Cover

The new Faubion PK-8 leverages a major capital partnership with Concordia University in a new facility scheduled to begin work in the fall of 2015 and open in September 2017. The new facility will serve as a new public/private model for higher education and K-12 sharing space as well as leveraging resources to create a new teaching model for the Cully/Concordia community.

Faubion PK-8 is one of four schools being rebuilt or modernized as part of the 2012 School Building Improvement Bond. Currently both Franklin and Roosevelt High Schools are under construction and master planning is underway at Grant High School.

Bond money will also be used to fix leaking and deteriorating roofs and make seismic safety, accessibility and science classroom improvements at up to 63 other schools.

Portland Public Schools

**Report on Requirements of the Single Audit  
Act and OMB Circular A-133**

**For the year ended June 30, 2015**

School District No. 1J, Multnomah County, Oregon

Portland, Oregon

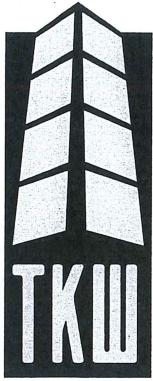
Prepared by the Accounting and Payroll Services Department

**School District No. 1J,  
Multnomah County, Oregon  
Portland Public Schools**

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**REPORT 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**

**INDEPENDENT AUDITOR'S REPORT**

Board of Education  
School District No. 1J, Multnomah County, Oregon  
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, each major fund, and the aggregate remaining fund information, of School District No. 1J, Multnomah County, Oregon (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 7, 2015.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District'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 District'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

**REPORT 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 (Continued)**

**COMPLIANCE AND OTHER MATTERS (Continued)**

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*.

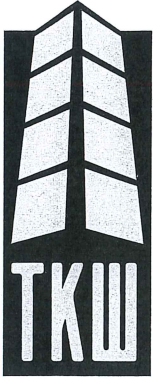
**PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Talbot, Kowola & Warwick LLP*

Lake Oswego, Oregon  
December 7, 2015

DRAFT 12/7/15



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**REPORT 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 OMB CIRCULAR A-133**

**INDEPENDENT AUDITOR'S REPORT**

Board of Education  
School District No. 1J, Multnomah County, Oregon  
Portland, Oregon

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM**

We have audited School District No. 1J, Multnomah County, Oregon (the District's) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on compliance for each of the District'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 District'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 District's compliance.

**OPINION ON EACH MAJOR FEDERAL PROGRAM**

In our opinion, the District 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, 2015.

**OTHER MATTERS**

The results of our auditing procedures disclosed one instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2015-01. Our opinion on each major federal program is not modified with respect to this matter.



**REPORT 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 OMB CIRCULAR A-133 (Continued)**

**OTHER MATTERS (Continued)**

The District's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

Management of the District 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 District'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 OMB Circular A-133, 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 District'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 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, we identified a deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-01, which we consider to be a significant deficiency.

The District's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

We have audited the basic financial statements of the District as of and for the year ended June 30, 2015, and have issued our report thereon dated December 7, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for

**REPORT 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 OMB CIRCULAR A-133 (Continued)**

**REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB  
CIRCULAR A-133 (Continued)**

purposes of additional analysis as required by OMB Circular A-133 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 basic 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 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 Expenditure of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Talbot, Kowola & Warwick LLP*

Lake Oswego, Oregon  
December 7, 2015

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School District No. 1J, Multnomah County, Oregon  
 Schedule of Expenditures of Federal Awards  
 for the Year Ended June 30, 2015



CFDA #	Fund/ Grant	Grant Description	Pass-Through Grantor's No.	Grant		Direct or Pass-Through	Expenditures	Agency Total
				Begin Date	End Date			
<b>DEPARTMENT OF AGRICULTURE</b>								
<b>Office of Food and Nutrition Service</b>								
<b>Child Nutrition Cluster</b>								
10.553	202	<i>School Breakfast Program (SBP)</i>						
		Donated Foods		7/1/2014	6/30/2015		261,443 <sup>1</sup>	
	202	School Breakfast Program	26-555-201	7/1/2014	6/30/2015	Pass-Through	3,272,069	
							3,533,512	
10.555	202	<i>National School Lunch Program (NSLP)</i>						
		Donated Foods		7/1/2014	6/30/2015		675,613 <sup>1</sup>	
	202	National School Lunch Program	26-555-201	7/1/2014	6/30/2015	Pass-Through	8,151,050	
							8,826,663	
10.559	202	<i>Summer Food Service Program for Children (SFSPC)</i>						
		Summer Food Service Program for Children	USDA Food Program Assistance	7/1/2014	6/30/2015	Pass-Through	550,373	
							Total Child Nutrition Cluster	12,910,548
10.558	202	<i>Child and Adult Care Food Program</i>						
		Donated Foods		7/1/2014	6/30/2015		105,931 <sup>1</sup>	
	G0339	Childcare Food Program for Head Start	USDA Food Program Assistance	7/1/2014	6/30/2015		499,820	
	202	Child and Adult Care Food Program	USDA Food Program Assistance	7/1/2014	6/30/2015	Pass-Through	853,745	
							1,459,496	
10.575	G1297	<i>Farm to School Grant Program</i>						
		Farm to School Implementation Grant	CN-F2S-IMPL-13-OR-01	12/1/2012	11/28/2014	Direct	31,295	
10.582	G1381	<i>Fresh Fruit and Vegetable Program (FFVP)</i>						
		Fresh Fruit and Vegetable Grants	34583 - 34604	7/1/2014	6/30/2015	Pass-Through	587,924	
10.665	101	<i>Office of Forest Service Forest Service Schools and Roads Cluster Schools and Roads - Grants to States</i>						
		Schools and Roads - Grants to States	USDA Schools and Roads	7/1/2014	6/30/2015	Pass-Through	29,059	
							Total Forest Service Schools and Roads Cluster	29,059

School District No. 1J, Multnomah County, Oregon  
 Schedule of Expenditures of Federal Awards  
 for the Year Ended June 30, 2015



CFDA #	Fund/ Grant	Grant Description	Pass-Through Grantor's No.	Grant		Direct or Pass-Through	Expenditures	Agency Total
				Begin Date	End Date			

Total Direct Funding	31,295
Total Pass-Through from Oregon Department of Education	14,458,148
Total Pass-Through from Oregon Nutrition Services	499,820
Total Pass-Through from Multnomah & Clackamas Counties	29,059

15,018,322

**DEPARTMENT OF AGRICULTURE Total**

**DEPARTMENT OF DEFENSE**

12.550 Office Of The Secretary of Defense  
*The Language Flagship Grants to Institutions of Higher Education*  
 G1273 Mandarin Chinese Flagship Grant

6/1/2012 5/31/2016

406,663

Total Pass-Through from University of Oregon	406,663
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406,663

**DEPARTMENT OF DEFENSE Total**

**DEPARTMENT OF EDUCATION AND HUMAN RESOURCES**

47.076 National Science Foundation  
 Cornell Lab of Ornithology AISL Award

11/1/2014 9/14/2015

2,650

Total Pass-Through from Cornell University	2,650
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2,650

**DEPARTMENT OF EDUCATION AND HUMAN RESOURCES Total**

**DEPARTMENT OF EDUCATION**

84.048 Office Of Vocational And Adult Education  
*Career and Technical Education - Basic Grants to States*  
 G1328 Carl Perkins 13/14  
 G1418 Carl Perkins 14/15

7/1/2013 9/30/2014

145,921

7/1/2014 9/30/2015

292,420

Pass-Through

438,341



**School District No. 1J, Multnomah County, Oregon**  
**Schedule of Expenditures of Federal Awards**  
**for the Year Ended June 30, 2015**



CFDA #	Fund/ Grant	Grant Description	Pass-Through Grantor's No.	Grant		Direct or Pass-Through	Expenditures	Agency Total
				Begin Date	End Date			
84.010		<b>Office Of Elementary and Secondary Education</b>						
		<i>Title I Grants to Local Education Agencies</i>						
	G1248	Title I - Central	25325	7/1/2012	9/30/2014		1,635	
	G1320	Title I - School Budgets	28205	7/1/2013	9/30/2014		98,169	
	G1321	Title I - Central	28205	7/1/2013	9/30/2015		2,185,289	
	G1351	Priority/Focus Improvement - Cesar Chavez	28341	7/1/2013	9/30/2014		6,443	
	G1352	Priority/Focus Improvement - Jefferson	28342	7/1/2013	9/30/2014		24,032	
	G1353	Priority/Focus Improvement - Lane	28343	7/1/2013	9/30/2014		13,859	
	G1354	Priority/Focus Improvement - Ockley Green / Chief Joseph	30666	7/1/2013	9/30/2014		4,391	
	G1356	Priority/Focus Improvement - Rosa Parks	28345	7/1/2013	9/30/2014		8,511	
	G1358	Priority/Focus Improvement - Sitton	28347	7/1/2013	9/30/2014		2,946	
	G1359	Priority/Focus Improvement - Vernon	28348	7/1/2013	9/30/2014		11,156	
	G1360	Priority/Focus Improvement - Whitman	28349	7/1/2013	9/30/2014		8,635	
	G1362	Priority/Focus Improvement - Woodmere	28351	7/1/2013	9/30/2014		6,434	
	G1391	Title I - Set Aside	28205	7/1/2013	9/30/2014		45,033	
	G1410	Title I - School Budgets	32666	7/1/2014	9/30/2015		4,435,444	
	G1411	Title I - Central	32666	7/1/2014	9/30/2015		6,337,428	
	G1412	Title ID	32517	7/1/2014	9/30/2015		37,939	
	G1432	Priority/Focus Improvement - Cesar Chavez	32809	7/1/2014	9/30/2015		34,440	
	G1433	Priority/Focus Improvement - Jefferson	32811	7/1/2014	9/30/2015		18,416	
	G1434	Priority/Focus Improvement - Lane	32812	7/1/2014	9/30/2015		27,659	
	G1435	Priority/Focus Improvement - Ockley Green / Chief Joseph	32810	7/1/2014	9/30/2015		20,581	
	G1436	Priority/Focus Improvement - Rigler	32813	7/1/2014	9/30/2015		31,701	
	G1437	Priority/Focus Improvement - Rosa Parks	32814	7/1/2014	9/30/2015		37,672	
	G1438	Priority/Focus Improvement - Scott	32815	7/1/2014	9/30/2015		25,146	
	G1439	Priority/Focus Improvement - Sitton	32816	7/1/2014	9/30/2015		31,052	
	G1440	Priority/Focus Improvement - Vernon	32817	7/1/2014	9/30/2015		23,978	
	G1441	Priority/Focus Improvement - Whitman	32818	7/1/2014	9/30/2015		38,440	
	G1443	Priority/Focus Improvement - Woodmere	32819	7/1/2014	9/30/2015		30,141	
	G1457	Title I - Set Aside	32666	7/1/2014	9/30/2015	Pass-Through	81,150	
							13,627,720	

School District No. 1J, Multnomah County, Oregon  
 Schedule of Expenditures of Federal Awards  
 for the Year Ended June 30, 2015



CFDA #	Fund/ Grant	Grant Description	Pass-Through Grantor's No.	Grant		Direct or Pass-Through	Expenditures	Agency Total
				Begin Date	End Date			
84.011	<b>Migrant Education - State Grant Program</b>							
	G1323	Title IC - Migrant Education	29966	7/1/2013	9/30/2014		1,481	
	G1324	Title IC - Migrant Education Preschool	29985	7/1/2013	9/30/2014		5,150	
	G1325	Title IC - Migrant Education Summer	31065	4/15/2014	9/30/2014		33,132	
	G1413	Title IC - Migrant Education	33607	7/1/2014	9/30/2015		138,936	
	G1415	Title IC - Migrant Education Summer	35112	4/15/2015	9/30/2015	Pass-Through	16,019	
							194,718	
84.144	<b>Migrant Education Coordination Program</b>							
	G1405	Title IC - Migrant Summer	31065	4/15/2014	9/30/2014		1,236	
84.013	<b>Title I State Agency Program for Neglected and Delinquent Children and Youth</b>							
	G1345	Title I N&D - Portland DART Schools	29645	7/1/2013	6/30/2014		57	
	G1476	Title I N&D - Portland DART Schools	34226	7/1/2014	6/30/2015		144,522	
						Pass-Through	144,579	
84.060A	<b>Indian Education - Grants to Local Educational Agencies</b>							
	G1422	Indian Education	S060A140938	7/1/2014	6/30/2015	Direct	148,295	
84.196	<b>Education for Homeless Children and Youth</b>							
	G1269	Title X - McKinney-Vento Homeless Education	28801	7/1/2013	9/30/2014		1,091	
	G1474	Title X - McKinney-Vento Homeless Education	34334	7/1/2014	9/30/2015		52,106	
					Pass-Through	53,197		
84.330	<b>Advanced Placement Program (Advanced Placement Test Fee; Advanced Placement Incentive Program Grants)</b>							
	G0972	International Baccalaureate (IB) Fee Payment Program	Agreement	7/1/2009	6/30/2016	Pass-Through	74,928	
84.360A	<b>High School Graduation Initiative</b>							
	G1116	School Dropout Prevention Program	S360A100137	10/1/2010	9/30/2015	Direct	1,098,828	
84.365	<b>English Language Acquisition Grants</b>							
	G1327	Title III - Language Instruction	30042	7/1/2013	9/30/2014		41,707	
	G1417	Title III - Language Instruction	32357	7/1/2014	9/30/2015		333,821	
					Pass-Through	375,528		





School District No. 1J, Multnomah County, Oregon  
 Schedule of Expenditures of Federal Awards  
 for the Year Ended June 30, 2015



CFDA #	Fund/ Grant	Grant Description	Pass-Through Grantor's No.	Grant		Direct or Pass-Through	Expenditures	Agency Total
				Begin Date	End Date			
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>								
<b>Administration For Children And Families</b>								
<b>CCDF Cluster</b>								
93.575	G1377	<i>Child Care and Development Block Grant</i> Teen Parent Services	ODE No. 14-034, IGA 60136	7/1/2013	6/30/2017	Pass-Through	76,238	
Total Child Care and Development Fund Cluster							76,238	
<b>Head Start</b>								
93.600	G1338	Head Start - Federal 13/14	10CHO193/01	11/1/2013	10/31/2014		420,428	
	G1427	Head Start - Federal 14/15	10CHO193/02	11/1/2014	10/31/2015	Direct	3,836,271	
							4,256,699	
93.658	G1234	<i>Foster Care - Title IV-E, Recovery Act</i> Foster Care Transportation	IGAR 58988	9/1/2011	9/1/2016	Pass-Through	98,756	
<b>Centers for Medicare and Medicaid Services</b>								
<b>Medicaid Cluster</b>								
<b>Medical Assistance Program</b>								
93.778	S0027	Medicaid Revenue - Regional Durable Medical Eqpt	Medicaid Revenue	7/1/2014	6/30/2015		10,112	
	S0054	Medicaid Revenue - DART Program	Medicaid Revenue	7/1/2014	6/30/2015		3,104	
	S0085	Medicaid Revenue - DHC Nursing	Medicaid Revenue	7/1/2014	6/30/2015		94,463	
	S0268	Medicaid Revenue - Early Childhood	Medicaid Revenue	7/1/2014	6/30/2015		15,308	
	S0278	Medicaid Revenue - Pioneer	Medicaid Revenue	7/1/2014	6/30/2015		13,142	
	S0279	Medicaid Revenue - Speech Paths	Medicaid Revenue	7/1/2014	6/30/2015		56,688	
Total Medicaid Cluster							192,817	
93.243	G1149	<b>Substance Abuse And Mental Health Services Administration</b> <i>Substance Abuse And Mental Health Services - Projects of Regional and National Significance</i> Proactive Classroom Management Initiative	10SM60302A	9/30/2010	9/29/2015	Direct	107,747	

School District No. 1J, Multnomah County, Oregon  
 Schedule of Expenditures of Federal Awards  
 for the Year Ended June 30, 2015



CFDA #	Fund/ Grant	Grant Description	Pass-Through Grantor's No.		Grant		Direct or Pass-Through	Expenditures	Agency Total
			Begin Date	End Date	Begin Date	End Date			

		Total Pass-Through from Oregon Department of Education Child Care Division						4,364,446	
		Total Pass-Through from Oregon Department of Human Services						76,238	
								291,573	

**DEPARTMENT OF HEALTH AND HUMAN SERVICES Total**

**GRAND TOTAL**

4,732,257

56,072,500

- 1 This schedule is prepared on the modified accrual basis of accounting.
- 2 Donated food is valued at estimated fair value. Donated food was allocated between 10.553, 10.555 and 10.558. Refunds/credits due to final reporting issues.

DRAFT 12/7/15



**SCHOOL DISTRICT No. 1J, MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**YEAR ENDED JUNE 30, 2015**

**SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS**

**Financial Statements:**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	No
Noncompliance material to financial statements noted?	No

**Federal Awards:**

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of <i>Circular A-133</i> ?	Yes

Identification of major programs:

<b>CFDA NUMBER(S)</b>	<b>NAME OF PROGRAM OR CLUSTER</b>
84.048	Career and Technical Education – Basic Grants to States
84.027, 84.173	Special Education Cluster (IDEA)
84.287	Twenty-First Century Community Learning Centers (CLCs)
84.360	High School Graduation Initiative

**SCHOOL DISTRICT No. 1J, MULTNOMAH COUNTY, OREGON**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**YEAR ENDED JUNE 30, 2015**

**SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS (Continued)**

Dollar threshold used to distinguish between type A and type B programs	\$ 1,682,175
Auditee qualified as low-risk auditee?	Yes

**SECTION II - FINANCIAL STATEMENT FINDINGS**

None reported.

**SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Finding 2015-01**

CFDA: 84.287

Program Title: Twenty-First Century Community Learning Centers (CLCs)

Criteria: As required by Title 34, Subtitle A, Part 76, Subpart F, §§76.652-76.66, a subgrantee shall provide students enrolled in private schools with a genuine opportunity for equitable participation in a manner that is consistent with the number of eligible private school students and their needs.

Condition: There was no evidence that the District's consultations with private school administrators included a discussion of Twenty-First Century Community Learning Centers (CLCs) funds, or that private school administrators opted out of participation in the program. Further, the District allocated no portion of program funds to private school children.

Context: Based on inquiries performed with District personnel, there is no evidence that private school administrators were given the opportunity to participate in program funds. Based on enrollment reports, 1,034 out of 45,218, or 2.29%, of the students within the District attend private schools. Therefore, it is reasonable to expect that up to 2.29% of total program expenditures, or \$12,053, might have been expended on private school students had their needs been evaluated.

**SCHOOL DISTRICT No. 1J, MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**

**YEAR ENDED JUNE 30, 2015**

**Finding 2015-01, (cont.)**

Effect: Children attending private schools within the District appear not to have been provided the opportunity to participate equally with public school children in regard to the Twenty-First Century Community Learning Centers (CLCs) program.

Cause: It appears that underlying the District's failure to comply with the requirement is a lack of awareness that the requirement applied to programs other than Titles I, II, and III.

Recommendation: We recommend that the District develop appropriate internal controls to ensure proper compliance with private school participation requirements for all federal programs.

View of Responsible Official and District Corrective Action Plan: We understand and concur with the finding and recommendation. The District has included Twenty-First Century CLC in its communications with private school administrators when offering services for federally funded programs to them. This is to ensure they are given the opportunity for equitable participation in all applicable federally funded programs in accordance with federal requirements. The District has also updated its procedures for substantiating which federally funded services have been offered to private schools to include Twenty-First Century CLC.

DRAFT 2015





**SCHOOL DISTRICT NO. 1J, MULTNOMAH COUNTY, OREGON**  
**SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED JUNE 30, 2015**

There were no findings in the prior audit.

DRAFT 12/7/15

## **Portland Public Schools Nondiscrimination Statement**

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Portland Public Schools recognizes the diversity and worth of all individuals and groups and their roles in society. It is the policy of the Portland Public School Board that there will be no discrimination or harassment of individuals or groups on the grounds of age, color, creed, disability, marital status, national origin, race, religion, sex or sexual orientation in any educational programs, activities or employment.

Board of Education Policy 1.80.020-P

### **Contact Information for Civil Rights Matters**

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District Title VI and Title IX:

Greg Wolleck

Phone: 503-916-3963

District 504:

Tammy Jackson

Phone: 503-916-2000 x71004

American Disabilities Act:

Human Resources Department

Phone: 503-916-3544

### **2014-15 Single Audit Act and OMB Circular A-133 Preparation**

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Chief Financial Officer  
Interim Assistant Director of Accounting

Yousef Awwad, CPA, CGMA, PMP, MBA  
Cheryl Anselone, CPA

#### **Grant Accounting**

Sr. Manager of Grant Accounting

Sr. Financial Analyst

Grant Accountant III

Grant Accountant III

Grant Accountant III

David Shick

Christie Christie

Chris Roe

Sheri Lee

Ruby Beecham