

Department of Finance

Public Services Building

2051 Kaen Road, Suite 490 | Oregon City, OR 97045

MEMORANDUM

TO: Clackamas County Board of County Commissioners (BCC)
FROM: Elizabeth Comfort, Finance Director
RE: Finance Department Plan for Monitoring of CCSO Financials
DATE: July 8, 2025

REQUEST:

Staff seeks Board approval of a data gathering plan to comply with the FY25-26 Budget Committee's motion on Finance Department oversight of the Sheriff's Office financials.

BACKGROUND:

During the FY25-26 budget deliberations in May 2025, the Budget Committee passed the following motion:

I move that the Finance Department conduct a monthly analysis of Clackamas County Sheriff's Office financials beginning July 1, 2025, with a monthly report to the Board of Commissioners analyzing revenues and expenditures, including but not limited to timeliness and accuracy of reporting, comparison of budget to actuals, monthly burn rate (rate of spending), questionable expenditures amounts and recommendations to improve financial processes, practices and reporting. Based on the results of the monthly analyses, the Board will determine by November 1, 2025, whether to transfer all Clackamas County Sheriff Office financial functions and expenditure oversight to the Finance Department, effective January 1, 2026.

Based upon this motion, Finance developed a set of data that will be reviewed, analyzed and presented to the Board monthly. The plan provided in Attachment A describes the two categories of information that will be collected:

- A. *General Review*: This includes information about CCSO's revenue and expenses compared to the budget. This will occur 45 days after the end of the previous month to ensure an accurate accounting of activities. In addition, Finance will review CCSO transactions monthly for a real-time picture of their actual and projected expenditures.
- B. *Finance Systems/Process Review*: All the systems noted in this section contribute to the overall financial health of the CCSO. Compliance with these processes – which are expected of all departments – will provide an indication of CCSO's ability to manage their budget.

Finance will prepare "dashboards" to easily display and discuss the information with the Board. If the Board approves the plan, the first full report (of July data) will be ready for review by mid-September.

OPTIONS:

- 1. Approve the CCSO Financials Monitoring Plan as presented in Attachment A.
- 2. Modify the plan.
- 3. Provide staff with alternative direction.

RECOMMENDATION:

- 1. Approve the CCSO Financials Monitoring Plan as presented in Attachment A.

ATTACHMENTS:

A: CCSO Financials Monitoring Plan

ATTACHMENT A: CCSO Financials Monitoring Plan

FY25-26 Budget Committee Motion re: CCSO Financials June 2025

Motion:

I move that the Finance Department conduct a monthly analysis of Clackamas County Sheriff's Office financials beginning July 1, 2025, with a monthly report to the Board of Commissioners analyzing revenues and expenditures, including but not limited to timeliness and accuracy of reporting, comparison of budget to actuals, monthly burn rate (rate of spending), questionable expenditures amounts and recommendations to improve financial processes, practices and reporting. Based on the results of the monthly analyses, the Board will determine by November 1, 2025, whether to transfer all Clackamas County Sheriff Office financial functions and expenditure oversight to the Finance Department, effective January 1, 2026.

Response:

The following information will be reviewed/analyzed by Finance and presented to the Board monthly:

A. General Review:

- Month-end close/45 days after end of month:
 - Budget-to-actuals, purchase orders and projections by fund and category
 - Burn rate (pace of spending)
- Monthly review of transactions:
 - Timeliness and accuracy of submissions; number of journal entries made to correct and reclassify transactions, and any questionable entries

B. Finance Systems/Processes Review:

- Payroll:
 - Complete and accurate payroll forms submitted
 - Accurate reporting of hours worked by employee
 - Correct timesheet coding, including labor distribution functionality
 - Timely approval of all timesheets
- Grants:
 - Journal entries follow established guidelines
 - Timely and accurate reporting and documentation of timeliness and accuracy sent to grant accountant to save as part of the grant file
 - Federal grant reporting/draws are sent to grants for review/approval before creating AR
 - Grants are charged allowable overhead
 - Timely journal entry corrections
- Procurement: Purchase Orders requested via Requisition process before engaging with vendor
- Accounts Payable: Supervisor review of entered batches 100% for accuracy
- Accounts Receivable: Receivable are entered timely
- General Ledger: Chart of Accounts is appropriately used to avoid unnecessary journal entries, accurate and timely submission of necessary journal entries
- Budget:
 - Meeting budget deadlines
 - Accurate submission of budget items
 - Projections and budgets that reflect historical trends with assumption increases
 - Remaining within the authorized budgets by fund and category