

BEFORE THE BOARD OF COUNTY COMMISSIONER  
FOR COLUMBIA COUNTY, OREGON

In the Matter of Approving the Corrective ) ORDER NO. 49 - 2025  
Action Plan for the FY2024 Audit )

WHEREAS, one deficiency was found during the FY 2024 annual audit of Columbia County and its component units; and

WHEREAS, the Columbia County Finance Director has developed a Corrective Action Plan to address this deficiency;

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

- 1. The Board of County Commissioners approves the Corrective Action Plan which is attached hereto as Attachment 1 and is incorporated herein by this reference.
- 2. The Columbia County Finance Director shall file a copy of the Corrective Action Plan with the Oregon Secretary of State.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

BOARD OF COUNTY COMMISSIONERS  
FOR COLUMBIA COUNTY, OREGON

By: \_\_\_\_\_  
Kellie Jo Smith, Chair

By: \_\_\_\_\_  
Casey Garrett, Commissioner

By: \_\_\_\_\_  
Margaret Magruder, Commissioner

Approved as to form

By: \_\_\_\_\_  
Office of County Counsel

## Attachment 1



# COLUMBIA COUNTY

## Department of Finance and Taxation

Pamela Smith, Director

230 Strand Street • St. Helens, Oregon 97051

Phone 503-397-7252 • Fax 503-397-7251

Email: Pam.Smith@columbiacountyor.gov

### **RESPONSE TO AUDIT FINDINGS FOR FISCAL YEAR ENDED 6-30-24**

#### **FINDING 2024-001 – Material Weakness in Internal Controls over Financial Reporting – Lack of Financial Close and Reporting Process**

**Cause** – The County does not have an adequately documented financial close and reporting process.

**Recommendation** – We recommend the County formally implement a financial close and reporting process to guide the County’s closing process to ensure all reconciliations and journal entries are prepared and reviewed appropriately. We further recommend documentation of this process, which includes documentation of the review, to ensure an appropriate audit trail. Additionally, we recommend management review user access to the County’s accounting system and verify user account permissions are in line with a proper business purpose. This review should be documented on a periodic basis as determined by management. Additionally, we recommend that management work with professionals experienced with their accounting system to develop a general ledger report in a format suitable for analysis and review.

**Contact Person Responsible for Corrective Action – Pamela Smith, Director of Finance and Taxation**

#### **Corrective Action Plan:**

Since taking the position of Finance Director in July of 2023, I have instituted an ongoing, “work-in-progress” program to address the issues noted by the auditors as well as developing policy and procedures to assure compliance with GAAP and GASB pronouncements. We are working in our department to address these issues, and then have plans to do training with the other Departments so timing and expectations can be met. Some of the things we have or will have in place are as follows:

We are closing the financials monthly, by the 15<sup>th</sup> of the month following.

Subledgers are reconciled monthly.

All bank accounts are reconciled monthly.

We are working to set up the process for Payroll, Cash Receipting and Accounts Payable to be reviewed and signed off on prior to being processed by the Assistant Finance Director and/or the Finance Director.

Capital Assets and depreciation schedules will be reviewed quarterly and verified by Assistant Finance Director and/or the Finance Director.

Inventories will be reviewed and updated quarterly and verified by Assistant Finance Director.

All debt agreements and amortization schedules are being reviewed for compliance with covenants and restrictions. We will then verify on a monthly/quarterly basis that each obligation is following the covenants of the agreements on file.

All Grants will be tracked for compliance on a master schedule which will be reviewed monthly.

We have set up documentation to review current users and access authority in the Caselle accounting system. We are developing a checklist to use when a new user is added to the system to guarantee compliance with all current finance policies and restrictions, as well as deleting User access when an employee leaves their employment with the County.

While we have been working on these findings, and are doing them on a regular basis, we have not yet documented and implemented a formal written policy with the checks and balances needed to demonstrate our compliance with same.

Once the audit is finished, we are scheduled to meet with our outside accounting firm to develop a general ledger reporting system in a format suitable for analysis and review, by both internal and external staff.

**Anticipated Completion Date – Ongoing with completion review NLT 12/31/25.**