



**OFFICE OF THE DISTRICT OF COLUMBIA AUDITOR**

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**Deborah K. Nichols**  
District of Columbia Auditor  
014:04:MK:vh

**Audit of Advisory Neighborhood Commission 8D  
for Fiscal Years 2000 Through 2003, as of March 31, 2003**

**May 20, 2004**



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Commissioner Soisette Lumpkin, Chairperson  
Advisory Neighborhood Commission 8D  
86 Galveston Place, SW, Apt. A  
Washington, D.C. 20032

**Letter Report:** Audit of Advisory Neighborhood Commission 8D  
for Fiscal Years 2000 Through 2003, as of March 31, 2003

Dear Commissioner Lumpkin:

Pursuant to Section 16 (d) of the Advisory Neighborhood Commissions Act of 1975, effective October 10, 1975, D.C. Law 1-21, as amended by the Comprehensive Advisory Neighborhood Commissions Reform Amendment Act of 2000, effective June 27, 2000, D.C. Law 13-135, D.C. Code, 2001 Ed. §1-309.13 (d) (2003 Supp.) (collectively, "ANC Act"), the District of Columbia Auditor conducted an audit of the financial operations and activities of Advisory Neighborhood Commission (ANC) 8D.

## **OBJECTIVES, SCOPE, AND METHODOLOGY**

The objectives of the audit were to determine whether ANC 8D's:

- disbursements complied with the ANC Act, ANC Financial Management Guidelines,<sup>1</sup> and legal opinions issued by the Office of the Corporation Counsel (OCC); and
2. internal controls were adequate to produce reliable financial information and ensure that the ANC's assets were properly safeguarded.

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<sup>1</sup>Office of the District of Columbia Auditor, Advisory Neighborhood Commissions Orientation Training Manual, "Advisory Neighborhood Commissions Financial Management Guidelines" ("ANC Financial Management Guidelines"), February, 2003.

The audit covered the period September 1, 2000 through March 31, 2003. In conducting the audit, the Auditor reviewed all available canceled checks, bank statements, bank signature cards, quarterly financial reports, meeting minutes, receipts and invoices, and other relevant documents. Copies of three unaccounted for checks that ANC 8D's Treasurer could not provide for the Auditor's review were subpoenaed from the bank. The Auditor also interviewed former ANC 8D Commissioners to obtain documents, additional information, and insight regarding the ANC's financial operations and activities.

**STATEMENT OF ANC 8D's CHECKING AND SAVINGS ACCOUNT BALANCES, AS OF MARCH 31, 2003**

Table I presents a statement of ANC 8D's checking and savings account balances as of March 31, 2003.

**TABLE I**  
**ANC 8D's Checking and Savings Account Balances**  
**As of March 31, 2003**

Petty Cash on Hand	\$	0.00*
Checking Account Balance		70.49
Savings Account Balance		<u>506.43</u>
 <b>Actual Cash Balance</b>	 <b>\$</b>	 <b>576.92</b>

Source: ANC 8D's bank statements as of March 31, 2003  
\*ANC 8D did maintain a petty cash fund.

**ANC 8D'S EXPENDITURES FOR FISCAL YEARS 2000 THROUGH 2003, AS OF MARCH 31, 2003**

Table II summarizes, by category, ANC 8D disbursements made during the audit period, including bank service charges.

**Table II**  
**Summary of ANC 8D's Disbursements**  
**For Fiscal Years 2000 Through 2003,**  
**as of March 31, 2003**

Purpose of Expenditure	Fiscal Year 2000 <sup>2</sup>	Fiscal Year 2001	Fiscal Year 2002	Fiscal Year 2003, as of 03/31/03	Grand Total
ANC Security Fund	\$0.00	\$71.00	\$71.00	\$0.00	142.00
AOL Internet Service	0.00	0.00	0.00	194.30	194.30
Bank Charges	5.66	136.04	464.87	21.00	627.57
Refreshments /Food	0.00	218.00	200.00	200.00	618.00
Cable Services	111.45	398.58	0.00	0.00	510.03
Films (Photo)	0.00	0.00	250.00	0.00	250.00
Stamps, Flyers	0.00	0.00	1,000.00	0.00	1,000.00
Transportation for Volunteer	0.00	800.00	800.00	0.00	1,600.00
Meeting Hall Rent/Storage	0.00	3,330.00	1,172.10	252.00	4,754.10
Telephone Service	71.33	363.16	1,600.00	0.00	2,034.49
Transfer to Savings Acct.	0.00	500.00	0.00	0.00	500.00
Office Supplies	0.00	4,840.47	3,127.23	0.00	7,967.70
Office Equipment	0.00	269.00	525.87	0.00	794.87
Postage and Delivery	0.00	125.00	200.00*	0.00	325.00
Printing and Copying	0.00	0.00	1,308.39	0.00	1,308.39
Petty Cash	0.00	2,300.00	1,905.00	200.00	4,405.00
PEPCO - Utilities	109.59	49.32	0.00	0.00	158.91
<b>Total Disbursements</b>	<b>298.03</b>	<b>13,400.57</b>	<b>12,624.46</b>	<b>867.30</b>	<b>27,190.36</b>

Source: ANC 8D's quarterly financial reports, check book, canceled checks, and bank statements.

\* Check number 1316 debited twice by the bank (\$100+\$100=\$200).

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<sup>2</sup>The expenditures in fiscal year 2000 are only for the month of September 2000 in that the audit period began in September.

## FINDINGS

**APPROXIMATELY \$9,461, OR 35%, OF EXPENDITURES TOTALING \$27,190.36 REPORTED IN QUARTERLY FINANCIAL REPORTS LACKED ADEQUATE SUPPORTING DOCUMENTATION IN VIOLATION OF § 1-309.13 (j)(1)**

Section 1-309.13 (j) (1) of the D.C. Code states that:

*...Each quarterly report shall include copies of canceled checks, bank statements, grant request letters and grant disbursements, invoices and receipts, executed contracts, details about all contributions received during the time period covered by the quarterly report, the minutes of all meetings indicating the Commission's approval of disbursements during the time period covered by the quarterly report...*  
[Auditor's Emphasis]

Further, ANC Financial Management Guidelines issued by the Office of the District of Columbia Auditor also address documentation required for preparing voucher packages as follows:

Prior to disbursing funds, the treasurer must ensure that a voucher package is prepared which contains the following:

- a. An original invoice from the supplier of goods or a signed and dated contract from a provider of services.
- b. A signed statement should be attached to the receipt/invoice or written on the receipt/invoice by the ANC representative who receives the goods or services which states:

"I certify that the goods or services described on the attached invoice have been received and represent bona fide expenses of the ANC."

- c. The date and check number should be entered on the original invoice.
- d. All vouchers should be filed in check number sequence.

All voucher packages should be retained by the ANC for a period of at least five years.<sup>3</sup>

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<sup>3</sup>See ANC Financial Management Guidelines at 6.

During fiscal years 2000 through 2003, as of March 31, 2003, ANC 8D did not maintain sufficient documentation to justify and support approximately \$9,461, or 35%, of expenditures totaling \$27,190.36, as reported in quarterly financial reports filed with the Office of the District of Columbia Auditor.<sup>4</sup> Original receipts, invoices, canceled checks, bank statements, minutes, and other appropriate supporting documentation were not available for the Auditor's review. Appendix I presents disbursements that lacked adequate supporting documentation.

#### **ANC 8D Failed to Account for Each Check Issued During the Audit Period**

The ANC Financial Management Guidelines issued by the Office of the District of Columbia Auditor state, in relevant part: "Voided or spoiled checks must be mutilated to preclude their subsequent use. These checks *must* be retained by the Treasurer for the purpose of accounting for all consecutively numbered checks belonging to the ANC."<sup>5</sup> During the audit period in question, the Auditor found that ANC 8D's Treasurer did not properly retain and preserve three checks according to the ANC Financial Management Guidelines. Because checks bearing the numbers 1053, 1058, and 1068 were not available, the Auditor subpoenaed the bank to provide copies of these checks. The bank determined that the checks had not been presented for payment. The aforementioned checks were listed on ANC 8D's quarterly financial reports as outstanding without a dollar amount or payee. Table III presents the unaccounted for checks.

The Auditor found that ANC 8D officials failed to improve internal controls over the execution of transactions and failed to adhere to the ANC Act, Financial Management Guidelines issued by the Office of the D.C. Auditor, and legal opinions issued by the Office of the Corporation Counsel as recommended in the Auditor's previous audit report dated October 27, 2000. Many of the same deficient conditions were found during the current audit such as ANC 8D's inability to account for some of its checks and other financial records.

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<sup>4</sup>ANC 8D's former Treasurer failed to write the applicable check number on invoices/receipts making it difficult for the audit team to match check payments against invoices/receipts. The audit team provided the former Treasurer and Chairperson with a list of payments that lacked supporting documentation (invoices/receipts), however, due to poor recordkeeping the former officials could not match check payments with receipts/invoices.

<sup>5</sup>See ANC Financial Management Guidelines at 6.

**Table III**  
**ANC 8D Unaccounted For Checks**  
**For Fiscal Years 2000 Through 2003**  
**as of March 31, 2003**

<b>Check Number</b>	<b>Date</b>	<b>Amount</b>	<b>Payee</b>	<b>Purpose</b>
1053	07/03/02	\$ 71.00	ANC Security Fund	ANC Security Fund
1058	02/17/02	150.00	Comcast Cable	Cable Equipment
1068	05/04/02	200.00	Petty Cash	Petty Cash
<b>Total</b>		<b>\$ 421.00</b>		

Source: ANC 8D's check book and quarterly financial reports

**RECOMMENDATIONS**

ANC 8D's Treasurer process each transaction according to the ANC Financial Management Guidelines, including the preparation of each voucher package for ANC disbursements. The voucher package must contain all original supporting documentation such as invoices, receipts, or other appropriate documentation from the supplier of goods and services, a statement attached to the receipt or invoice acknowledging acceptance of the goods or services and certifying that the disbursement is a legitimate ANC expense. The date and check number should be written on the supporting document applicable to the disbursement, and all vouchers should be filed in check number sequence.

2. ANC 8D's Treasurer and Commissioners comply with previous audit recommendations concerning the need to implement stronger internal controls as noted in the Auditor's report dated October 27, 2000.<sup>6</sup>
  
3. ANC 8D's Treasurer and Commissioners implement additional internal controls to better safeguard the ANC's financial records, including copying original documents and maintaining a copy in the ANC's files, ensuring that the files are kept in a secure cabinet or room, and that files are accessible only to authorized personnel.

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<sup>6</sup>See the Office of the District of Columbia Auditor report entitled, "Review of the Financial Transactions and Activities of Advisory Neighborhood Commission 8D for the Period October 1, 1997 through August 31, 2000" at pp. 15-16, dated October 27, 2000 (hereinafter "ANC 8D Audit Report").

4. Voided and canceled ANC checks must be retained by the Treasurer in the ANC's files for at least five years.
5. In order to ensure that the unaccounted for checks are not charged to the ANC's account, the current Treasurer and Chairperson immediately place stop payment orders on these checks for the longest period of time allowed by the bank at which the ANC maintains its checking account.

**ANC 8D Incurred Approximately \$430 in Improper and Unauthorized Long Distance Telephone Charges**

The Auditor's analysis of expenditures revealed that ANC 8D's telephone expenditures were higher than most ANC's telephone expenditures for fiscal year 2002. As a result of this observation, the Auditor requested detailed telephone bills for review. These bills covered calls made between December 26, 2001 and February 27, 2003 from one of two telephone numbers controlled by ANC 8D.

The Auditor's analysis further revealed that, between December 26, 2001 and February 27, 2003, approximately 150 long distance calls were made from ANC 8D's telephone number to 53 cities in 22 states and Canada. Official ANC business is ordinarily conducted in the Washington metropolitan area. Generally, long distance telephone service is not required to conduct ANC business matters. As summarized in Table IV and presented in a more detailed form in Appendix II, the calls found by the Auditor appeared to be personal in nature, excessive, and unrelated to the ANC's mission, needs, public purpose or requirements under the ANC Act.

ANC 8D officers failed to establish adequate internal controls over access to and use of the ANC's long distance phone service. As a consequence, the ANC incurred charges for improper, unauthorized long distance telephone calls over a long period of time that either were not immediately detected or if detected by one or more Commissioners the matter was not properly and effectively handled. It appears that one or more ANC 8D officers were aware of the numerous and wide-ranging geographical reach of the calls, and that they aided, abetted, or helped to conceal the misuse of the ANC's long distance phone service over an extended period of time. Appendix II presents the date, time, place, minutes, and charges incurred.

**Table IV**  
**Advisory Neighborhood Commission 8D**  
**Summary of Apparently Improper Long Distance Telephone Calls:**  
**December 26, 2001 Through February 27, 2003**

<b>States</b>	<b>Number of Cities</b>	<b>Number of Calls</b>	<b>Amount</b>
Arizona	1	11	\$34.36
California	4	6	2.36
Colorado	1	1	.48
Florida	3	6	7.05
Georgia	3	8	9.79
Idaho	1	1	.27
Illinois	2	1	.29
Indiana	1	1	1.13
Iowa	1	1	.55
Maryland	7	45	34.16
Massachusetts	1	1	.22
Michigan	1	3	.72
New Jersey	5	24	27.99
New York	2	5	1.01
North Carolina	3	3	1.41
Oklahoma	1	1	.15
Pennsylvania	4	7	2.72
South Carolina	1	1	1.50
Texas	2	7	3.43
Utah	1	1	.61
Virginia	4	8	3.44
West Virginia	1	4	16.46
Ontario, Canada	1	1	.35
Directory Asst.	2	3	5.97
<b>Sub Totals</b>	<b>53</b>	<b>150</b>	<b>\$156.42</b>
Taxes and Fees			273.73
<b>Totals</b>	<b>53</b>	<b>150</b>	<b>\$430.15</b>

Source: Auditor's analysis of ANC 8D's Verizon telephone bills.

## **RECOMMENDATIONS**

1. ANC 8D officers investigate all long distance calls charged to the ANC, particularly those presented in this report, to determine whether they are connected to current or former Commissioners or staff and, if so, those Commissioners or staff must reimburse ANC 8D the full amount of improper/unauthorized long distance telephone charges.
2. The Office of the Inspector General investigate the long distance telephone charges incurred at ANC 8D's expense to determine who placed the calls and whether they violated relevant District and/or Federal laws in that they were not related to a business or public purpose of the ANC.

### **ANC 8D DID NOT INCLUDE THE PHRASE "DISTRICT OF COLUMBIA GOVERNMENT" IN ITS BANK ACCOUNT NAME, DID NOT OBTAIN A D.C. TAX IDENTIFICATION NUMBER IN VIOLATION OF § 1-309.13 (b) (2), AND DID NOT INCLUDE "DISTRICT OF COLUMBIA GOVERNMENT" ON THE FACE OF ITS CHECKS IN VIOLATION OF § 1-309.13 (f) OF THE D.C. CODE**

The Auditor found that ANC 8D violated § 1-309.13 (b) (2) and § 1-309.13 (f) of the D.C. Code. ANC 8D did not include the phrase "District of Columbia Government" in the name of each bank account that it maintained or established until March 30, 2002, nor did it obtain a District of Columbia tax identification number. Section 1-309.13 (b) (2) of the D.C. Code states, in relevant part, that: "Each Commission shall request a District of Columbia Tax Identification Number and include the phrase "*District of Columbia Government*" in each account name *within 90 days after June 27, 2000*. [Auditor's Emphasis]

ANC 8D did not include the phrase "District of Columbia Government" on the face of its checks until July 20, 2002. Section 1-309.13 (f) of the D.C. Code states, in relevant part, that: ". . . Any check shall be pre-numbered, shall bear the name of the Commission and "*District of Columbia Government*" on its face, and shall be issued in consecutive order." [Auditor's Emphasis] While §1-309.13(b)(2) and § 1-309.13 (f) provide for a 90 day "grace period", ANC 8D issued 58 checks and two counter withdrawals after this time frame. It was also determined that ANC 8D never obtained a District of Columbia Tax Identification Number.

The Auditor conducted a financial management orientation session for ANC Chairpersons and Treasurers on January 27, 2001. The Auditor reiterated the requirements of the ANC Act, established a March 1, 2001, deadline for compliance, and stated that money disbursed on non-compliant checks written on non-compliant accounts after March 31, 2001, would be deducted from future quarterly allotments. Additionally, in a letter dated February 27, 2001, the Auditor advised all ANCs to close existing checking accounts that did not contain the phrase "District of Columbia Government" in the account name or on the face of ANC checks, open a new account and order new checks that complied with the new requirement. This letter was sent to all ANC Commissioners, including Commissioners of ANC 8D. Despite the financial guidance rendered by the Office of the D.C. Auditor and repeated written and verbal admonitions concerning compliance with the above cited provisions of the law, the Auditor found that between March 31, 2001 and July 20, 2002, ANC 8D's Treasurer issued 58 checks and two counter-withdrawals totaling \$16,783.84 from a non-compliant checking account.

As a consequence of ANC 8D's failure to comply with §1-309.13(b)(2) and § 1-309.13 (f) of the D.C. Code, all checks issued from the non-compliant checking account after March 31, 2001 will be disallowed. The amount recommended for disallowance totals \$12,042.54 which does not include \$1,400 recommended for deduction later in this report and \$3,341.30 already disallowed or recommended for disallowance from the \$16,783.84. Appendix III presents ANC 8D checks issued between March 31, 2001 and July 20, 2002 on an account that did not comply with D.C. Code, 2001 Ed. §1-309.13 (b)(2) and § 1-309.13 (f).

## **RECOMMENDATIONS**

1. ANC 8D's Treasurer immediately obtain a District of Columbia tax identification number in or to comply with § 1-309.13 (b)(2).
2. The Associate Chief Financial Officer for the Office of Finance and Resource Management deduct \$12,042.54<sup>7</sup> from ANC 8D's future quarterly allotments as a consequence of its failure to comply with §1-309.13(b)(2) and § 1-309.13 (f) of the D.C. Code.

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<sup>7</sup>This amount represents total non-compliant checking account disbursements of \$16,783.84 less \$1,400 recommended for disallowance later in this report and total quarterly allotments of \$3,341.30 that were disallowed during fiscal year 2002 from ANC 8D's 1<sup>st</sup> and 2<sup>nd</sup> quarter allotments. The \$3,341.30 included unallowable expenditures such as payment of the volunteer office assistant's transportation, missing supporting documentation, and ANC checks issued with only one signature.

## **ANC 8D'S CHAIRPERSON AND TREASURER FAILED TO FOLLOW PETTY CASH PROCEDURES**

Section 1-309.13(f) of the D.C. Code states, in relevant part, that “. . .No check may be made payable to cash.” Additionally, §1-309.13 (h) of the D.C. Code states, in relevant part, that:

Each Commission may establish a petty cash fund not to exceed \$200 at any one time in accordance with procedures established for imprest funds by the D.C. Controller. The fund shall be reimbursed by the treasurer upon presentation of appropriate supporting documents. The treasurer may disburse to another Commissioner or employee of the Commission an amount not in excess of \$200 for authorized Commission expenditures through a Commission-established petty cash fund. A record of disbursements from the petty cash fund shall be kept by the treasurer in a manner consistent with other accounts of the Commission.

Additionally, ANC Financial Management Guidelines issued by the Office of the D.C. Auditor state that:

All payments out of the fund should be supported by signed petty cash vouchers and receipts from vendors. The vouchers should list the voucher number, date, payee, description of the purchase, amount, the signature of the payee and the signature of the ANC authorized representative.<sup>8</sup>

The Auditor's review of ANC 8D's disbursements revealed that during the audit period, ANC 8D's Chairperson and Treasurer issued 23 checks payable to petty cash totaling \$4,405. Of the \$4,405 issued to petty cash during the audit period, \$1,985.01, or 45%, lacked supporting documentation. ANC 8D's Chairperson, who was also the petty cash custodian, failed to comply with §1-309.13(f) and §1-309.13(h) of the D.C. Code. Further, the Chairperson failed to prepare vouchers for petty cash disbursements.

Checks issued to establish or replenish petty cash must be written to an officer or staff person of the Commission and the purpose of the disbursement should be clearly noted on the check. The Auditor found that ANC 8D's Treasurer wrote checks payable to petty cash, signed, endorsed, and cashed the checks. One check, number 1031, was written to “Cash” for \$200. Further, ANC 8D's Treasurer issued two petty cash checks totaling \$300 within a seven-day period between May 23, 2001 and May 30, 2001.

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<sup>8</sup>See ANC Financial Management Guidelines at 21 D.

In the ANC 8D audit report dated October 27, 2000, the Auditor cited ANC 8D for failure to follow petty cash guidelines. The Auditor recommended that ANC 8D immediately adhere to established guidelines concerning petty cash usage and disbursement including, but not limited to, maintaining adequate documentation to support all expenditures. It appears that ANC 8D officers took no corrective action in this area because the problem worsened as evidenced by the frequent issuance of checks to replenish petty cash, the increasing lack of documentation to support petty cash expenditures, and the improper and questionable use of petty cash.<sup>9</sup> ANC 8D disregarded the Auditor's previous recommendations and continued to operate its banking and financial matters in violation of § 1-309.13(h). Table V presents the 23 checks issued to petty cash during the audit period.

**Table V**  
**Advisory Neighborhood Commission 8D**  
**Petty Cash Disbursements**  
**For the Period September 1, 2000 Through March 31, 2003**

Check #	Date	Amount	Payee	Purpose of Expenditures	Supporting Documents	Amount Without Supporting Documents
1002	03/02/01	\$ 200.00	Petty Cash	Petty Cash -moving expense	No	\$ 200.00
1003	03/18/01	200.00	Petty Cash	Petty Cash -supplies & moving expense	No	200.00
1004	03/28/01	200.00	Petty Cash	Petty Cash -supplies & moving expense	No	200.00
1014	05/01/01	200.00	Petty Cash	Catering /Refreshments \$60.00 4/24/01 D. Deville, Stamps \$68.00	Partial	72.00
1015	05/03/01	200.00	Petty Cash	\$41.41 receipt from Staples	Partial	158.59
1016	05/09/01	200.00	Petty Cash	Catering /Refreshments \$100.00 5/8/01 D. Deville	Partial	100.00
1020	05/23/01	100.00	Petty Cash	Petty Cash receipt \$90.65	Partial	9.35
1022	05/30/01	200.00	Petty Cash	Paid \$100 for catering to L. Wilkins ANC 8D Office Assistant	Partial	100.00
1027	06/21/01	200.00	Petty Cash	Petty Cash	Yes	0.00
1031	07/13/01	200.00	Cash	Petty Cash	Yes	0.00

<sup>9</sup>See ANC 8D Audit Report at 13-15.

1034	08/18/01	200.00	Petty Cash	Petty Cash	Yes	0.00
1036	09/01/01	200.00	Petty Cash	Receipt for \$149.93	Partial	50.07
1042	10/10/01	200.00	Petty Cash	\$140 in receipts for photos	Yes	0.00
1047	11/17/01	200.00	Petty Cash	Various Meeting Supplies	Yes	0.00
1050	12/01/01	200.00	Petty Cash	Petty Cash	Yes	0.00
1052	12/31/01	200.00	Petty Cash	Petty Cash	Yes	0.00
1061	02/17/02	200.00	Petty Cash	Petty Cash	Yes	0.00
1062	03/26/02	200.00	Petty Cash	Petty Cash	Partial	50.00
1066	04/30/02	200.00	Petty Cash	May Monthly Meeting	Partial	140.00
1306	07/30/02	105.00	Petty Cash	Newsletter	No	105.00
1307	07/28/02	200.00	Petty Cash	Meeting	No	200.00
1315	09/17/02	200.00	Petty Cash	Monthly Meeting	No	200.00
1323	12/06/02	200.00	Petty Cash	Meeting Awards	No	200.00
<b>Total</b>		<b>\$ 4,405.00</b>				<b>\$ 1,985.01<sup>10</sup></b>

Source: ANC 8D Quarterly Financial Reports

## **RECOMMENDATIONS**

1. ANC 8D's Treasurer ensure that no check is issued or made payable to "cash," "bearer" or "petty cash," but to another Commissioner or employee of the Commission in an amount not to exceed \$200.
2. ANC 8D's Treasurer ensure compliance with § 1-309.13 (h) by requiring the submission of proper supporting documentation for petty cash disbursements. The Treasurer should also ensure that all receipts or other supporting documentation are maintained in the ANC's files for at least five years.
3. The Associate Chief Financial Officer for the Office of Finance and Resource Management deduct \$1,495 from ANC 8D's future quarterly allotments as a result of unsupported or unallowable petty cash disbursements.

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<sup>10</sup>Of the total \$1,985.01 in petty cash disbursements that lacked adequate documentation, \$490.01 is included in the \$12,042.54 that will be deducted from ANC 8D's future allotments for checks issued from a non-compliant checking account. The Auditor recommends that the Associate Chief Financial Officer for the Office of Finance and Resource Management deduct \$1,495 from ANC 8D's future quarterly allotments as a result of unsupported petty cash disbursements.

**ANC 8D'S TREASURER MADE FOUR DISBURSEMENTS TOTALING \$1,600 WITH ONLY ONE SIGNATURE**

To ensure proper control over funds, the ANC Act requires that at least two Commissioners sign all ANC checks after all expenditures are specifically authorized by a majority of Commissioners in a public meeting. Specifically, section 1-309.13(f) states, in relevant part, that: “. . .No expenditure of any amount shall be made without the specific authorization of the Commission. *Any expenditure made by check shall be signed by at least 2 officers of the Commission, one of whom shall be the treasurer or Chairperson.* The check shall, prior to signature, contain the date of payment, the name of the payee, and the amount of the payment. . .”[Auditor’s Emphasis]

The Auditor found that during the audit period ANC 8D’s Treasurer made four disbursements totaling \$1,600 with only one signature even though the ANC Act requires two signatures. The \$1,600 in disbursements with one signature were made with two checks and two improper counter-withdrawals. Of the total \$1,600 in disbursements, ANC 8D’s Treasurer made two counter-withdrawals<sup>11</sup> totaling \$1,200 from ANC 8D’s checking account. These withdrawals violated the ANC Act in that they were not made by check or signed by at least two officers of the Commission. Table VI presents the disbursements that were made with only one signature during the audit.

**Table VI  
Advisory Neighborhood Commission 8D  
Disbursements with One Signature  
For the Period September 1, 2000 Through March 31, 2003**

Check #	Amount	Date	Payee	Purpose of Expenditure
Counter-withdrawal	\$ 200	08/24/01	Brenda Strickland	Deposited to Savings
1051	200	12/31/01	Loretta Wilkins	Transportation
1052	200	12/31/01	Petty Cash	Petty Cash
Counter-withdrawal	1,000	05/06/02	Brenda Strickland	Postage
<b>Total</b>	<b>\$ 1,600</b>			

Source: ANC 8D checks

<sup>11</sup>ANC 8D’s Treasurer went into a bank, filled out a withdrawal slip and withdrew funds from ANC 8D’s checking account instead of using an ANC check signed by two officers with approval from the Commission.

**ANC 8D's Treasurer Improperly Withdrew \$1,200 from ANC 8D's Checking Account With Only One Signature and Without the Specific Authorization of a Majority of Commissioners**

The Auditor's review of ANC 8D's records shows that on August 24, 2001 the Treasurer improperly withdrew funds from ANC 8D's checking account in the amount of \$200 with only her signature. The Treasurer deposited the \$200 into the ANC's savings account on the same day. On May 6, 2002, the Treasurer withdrew \$1,000 from the ANC's checking account with only her signature. As shown in Table VII, the Treasurer submitted receipts to the Auditor's office to support expenditures totaling \$841.17, which was \$158.83 less than the \$1,000 withdrawal.<sup>12</sup> Further, the dates on the receipts did not correspond to the period in which the funds were reported as having been disbursed. Additionally, ANC 8D's minutes did not include any discussion by Commissioners of the \$1,000 withdrawal or the Commission's specific approval of the expenditure of these funds. In addition to violating §1-309.13(f) of the D.C. Code, the Treasurer created a situation exposing the ANC and its funds to a risk of loss, theft, misuse, or personal use during the period of time the funds were not in the bank or other secure place known to and approved by the Commission.

**Table VII**  
**Advisory Neighborhood Commission 8D**  
**Items Purchased With Cash Withdrawn By Former Treasurer:**  
**May 6, 2002 Through September 20, 2002**

<b>Date of Withdrawal</b>	<b>Amount Withdrawn</b>	<b>Items Purchased</b>	<b>Date Items Purchased</b>	<b>Vendor</b>	<b>Amount</b>	<b>Number of Days Cash Held</b>
05/06/02	\$1,000.00	Stamps	07/03/02	Unknown	\$ 148.00	58
		Stamps	07/05/02	USPS Naval Res. Lab.	65.73	60
		Stamps	07/06/02	Congress Heights Post Office	148.00	61
		Stamps	07/06/02	Oxon Hill Post Office	370.00	61

<sup>12</sup>On October 30, 2003, the D.C. Auditor's office received from ANC 8D's former treasurer 15 books of stamps totaling \$555 and a stamp machine purchased from Pitney Bowes which had never been used.

		Office Supplies	07/15/02	Crown Educational - Riggs Road N.E.	56.99	70
		Antique Toys PSA Bk	07/15/02	Unknown	14.80	70
		Express Mail - Salt Lake City UT	07/24/02	Lammond - Riggs Post Office	13.65	79
		Stamps	09/20/02	Lammond - Riggs Post Office	24.00	137
<b>Total</b>					<b>\$841.17</b>	

Source: ANC 8D's quarterly financial reports, bank statements, and withdrawal slips.

## **RECOMMENDATIONS**

ANC 8D Commissioners must ensure that all ANC checks contain two signatures, one of which must be that of the Commission's Treasurer or Chairperson.

2. Within 90 days of this report, the former Treasurer must repay ANC 8D \$158.83 which represents the portion of the \$1,000 cash withdrawal that was not supported by valid receipts. If the former Treasurer fails to repay the ANC within 90 days from the date of this report, the Auditor will notify the OCC to initiate the appropriate legal action necessary to recover the Commission's funds.

### **ANC 8D Officials Used ANC Funds to Purchase Refreshments for an Activity That Failed to Comply with the ANC Act**

The Auditor's review of ANC 8D's disbursements during the audit period revealed that the Treasurer issued check number 1322 for \$200 to an individual on November 8, 2002 to cater an ANC 8D committee meeting which violated D.C. Code, 2001 Ed. §1-309.13(I)(1). With one limited exception, there is no statute that specifically authorizes the expenditure of ANC funds for food or entertainment. The one limited exception, which relates only to "nominal refreshments at Commission meetings," is set forth in section 1-309.13(I)(1) and states, in relevant part:

“A Commission shall expend funds received through the annual allocation received pursuant to subsection (a) of this section, or other donated funds, for public purposes within the Commission area or for the functioning of the Commission office, including staff salaries, Commissioner training, property liability insurance, and nominal refreshments at Commission meetings. . .”

Under this section, an ANC may use its funds to purchase “nominal refreshments” for consumption “at Commission meetings.” Refreshments should be minimal in nature—light food and drink that is inexpensive, something short of a meal. Therefore, a catered affair is not considered “nominal refreshments” and a committee meeting is also not considered a “Commission meeting.” Additionally, the ANC Financial Management Guidelines state that: “[N]o ANC funds should be used for food and entertainment purchases (nominal refreshments at ANC public meetings are permissible).”

### **RECOMMENDATIONS**

ANC 8D officers refrain from using ANC funds to purchase food other than nominal refreshments to be served at regular monthly Commission meetings.

2. Within 90 days of this report, the former Treasurer and former Chairperson must personally reimburse ANC 8D \$200 which was disbursed by them to pay for food served at a committee meeting. If the former Treasurer and Chairperson fail to repay the ANC within 90 days from the date of this report, the Auditor will notify the OCC to initiate the appropriate legal action necessary to recover the Commission’s funds.

### **ANC 8D OFFICIALS PAID \$1,600 FOR A VOLUNTEER OFFICE ASSISTANT’S TRAVEL EXPENSES TO AND FROM THE ANC OFFICE**

Section 1-309.13(D)(1) of the D.C. Code states, in relevant part, the following:

*A Commission shall expend funds received through the annual allocation received pursuant to subsection (a) of this section...for public purposes within the Commission area or for the functioning of the Commission office, including staff salaries. . . Funds may be used to pay the local transportation expenses of a Commissioner if the Commissioner is officially representing the Commission or a committee of the Commission at public hearings or meetings or is engaged in official Commission business. [Auditor Emphasis]*

ANC 8D's former Chairperson and Treasurer signed a "To Whom It May Concern" letter regarding a volunteer office assistant's transportation expenses. The letter stated that, during a monthly town hall meeting on April 24, 2001, ANC 8D Commissioners approved a \$50 weekly stipend for the volunteer office assistant's transportation expenses. The volunteer office assistant provided the following explanation for this arrangement: "Due to the current labor laws, my services rendered cannot be based upon hourly wages or a salary for \$50 per week. However, I used the stipend strictly for transportation."

During the nine-month period between May 23, 2001 through February 4, 2002, the volunteer received \$1,600 from ANC 8D for transportation expenses. These payments were made by ANC 8D checks made payable to the volunteer office assistant. The Auditor noted, however, that ANC 8D's Treasurer did not include in the Commission's quarterly financial reports any receipts to support these disbursements. Further, the payments were erroneously categorized as "Local Transportation" on quarterly financial reports. This category is to be used to report local transportation costs incurred by Commissioners conducting official Commission business.

On January 28, 2004, the Auditor requested an opinion from the OCC on the appropriateness of reimbursing a volunteer assistant for travel expenditures. In a letter dated February 9, 2004, the OCC stated that since there is no other provision in the ANC Act that contemplates expenditures for travel, it must be analyzed in the context of whether a Commissioner could be reimbursed under similar circumstances. The OCC concluded that local transportation expenses are reimbursable to a Commissioner in narrow circumstances if he or she is representing the Commission in an official capacity or is conducting Commission business. Because the volunteer assistant was not representing the Commission or conducting Commission business, and because the fees paid to the volunteer were constant and more than likely payment for commuting costs, they were not reimbursable under the ANC Act.

Table VIII presents the \$1,600 in transportation expenses paid to the volunteer assistant during the nine-month period between May 23, 2001 and February 4, 2002.

**Table VIII**  
**Disbursements to Volunteer Office Assistant**  
**For Personal Transportation Costs:**  
**May 23, 2001 through February 4, 2002**

Check #	Amount	Date Issued	Payee	Purpose of Expenditure
1019	50.00	05/23/01	L. Wilkins	Transportation - Office Assistant
1021	50.00	05/30/01	L. Wilkins	Transportation - Office Assistant
1026	100.00	06/15/01	L. Wilkins	Transportation - Office Assistant
1030	200.00	07/13/01	L. Wilkins	Transportation - Office Assistant
1033	200.00	08/18/01	L. Wilkins	Transportation - Office Assistant
1035	100.00	09/01/01	L. Wilkins	Transportation - Office Assistant
1040	100.00	09/19/01	L. Wilkins	Transportation - Office Assistant
1041	100.00	10/10/01	L. Wilkins	Transportation - Office Assistant
1044	100.00	10/24/01	L. Wilkins	Transportation - Office Assistant
1046	100.00	11/17/01	L. Wilkins	Transportation - Office Assistant
1049	100.00	12/01/01	L. Wilkins	Transportation - Office Assistant
1051	200.00	12/31/01	L. Wilkins	Transportation - Office Assistant
1056	200.00	02/04/02	L. Wilkins	Transportation - Office Assistant
<b>Total</b>	<b>\$ 1,600.00<sup>13</sup></b>			

Source: ANC 8D's quarterly financial reports

## **RECOMMENDATIONS**

- 1 The Associate Chief Financial Officer for the Office of Finance and Resource Management deduct \$1,400 (\$1,600 less \$200 already deducted) from ANC 8D's future quarterly allotments in that these payments violated §1-309.13(I)(1) of the D.C. Code.
2. ANC 8D officers who approved and signed checks disbursing transportation payments to the volunteer assistant must personally repay \$1,600 to ANC 8D within 90 days of the date of this report.

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<sup>13</sup> Checks totaling \$1,600 that were issued to pay the personal transportation costs to ANC 8D's volunteer office assistant were also issued from a non-compliant checking account. During fiscal year 2002, \$200 of the \$1,600 was withheld from ANC 8D's quarterly allotments.

**ANC 8D'S TREASURER FAILED TO FILE QUARTERLY FINANCIAL REPORTS ON TIME WITH THE OFFICE OF THE D.C. AUDITOR AS REQUIRED BY THE ANC ACT**

Section 1-309.13(j)(1) of the D.C. Code states, in relevant part, that:

*The treasurer of a Commission shall prepare a quarterly financial report on a form provided by the Auditor. The financial report shall be presented to the Commission for its consideration at a Commission meeting within 45 days after the end of the quarter. A copy of the approved financial report, signed by the Chairperson, the secretary, and the treasurer, shall be filed, along with a record of the vote adopting the report, with the Auditor within 15 days of approval. Each quarterly report shall include copies of canceled checks, bank statements, grant request letters and grant disbursements, invoices and receipts, executed contracts, details about all contributions received during the time period covered by the quarterly report, the minutes of all meetings indicating the Commission's approval of disbursements during the time period covered by the quarterly report... [Auditor's Emphasis.]*

As presented in Table IX, only two, or 22%, of the nine reports due to the D.C. Auditor's office during the audit period were filed on time. Seven quarterly reports, or 78%, were late. ANC 8D did not comply with D.C. Code, 2001 Ed. §1-309.13(j)(1) and the ANC Financial Management Guidelines issued by the Office of the District of Columbia Auditor.

**Table IX**  
**Advisory Neighborhood Commission 8D**  
**Submission of Quarterly Financial Reports**  
**For The Period September 1, 2000 Through March 31, 2003**

Quarter	Date Approved by ANC 8D	Date Due to ODCA	Date Received by ODCA	Number of Days Late	Additional Information
1 <sup>st</sup> Qtr. 2001	02/13/01	03/01/01	03/01/01	0	
2 <sup>nd</sup> Qtr. 2001	05/08/01	05/30/01	05/17/01	0	Report received 13 days early.
3 <sup>rd</sup> Qtr. 2001	No Date	08/29/01	10/29/01	61	
4 <sup>th</sup> Qtr. 2001	02/23/02	11/29/01	03/04/02	95	Auditor sent letter on 1/31/02 advising ANC 8D Commissioners that the quarterly report was overdue.
1 <sup>st</sup> Qtr. 2002	02/23/02	03/01/02	03/07/02	6	
2 <sup>nd</sup> Qtr. 2002	04/25/02	05/30/02	06/25/02	26	Auditor sent letter on 6/20/02 advising ANC 8D Commissioners that the quarterly report was overdue.
3 <sup>rd</sup> Qtr. 2002	09/27/02	08/29/02	10/23/03	420	Report signed by Treasurer only and faxed to Auditor's Office
4 <sup>th</sup> Qtr. 2002	09/27/02	11/29/02	10/23/03	328	Report signed by Treasurer only and faxed to Auditor's Office
1 <sup>st</sup> Qtr. 2003	No Date	03/03/03	10/23/03	234	Report signed by Treasurer only and faxed to Auditor's Office

Source: ANC 8D's quarterly financial reports

Note: All ANC 8D quarterly financial reports signed only by the former treasurer were subsequently signed by the former chairperson on 10/22/03 and the former secretary on 10/23/03 in the D.C. Auditor's office.

**Quarterly Financial Reports Filed by ANC 8D Were Not Always Accurate and Complete**

As stated on the quarterly report form, the ending balance of the previous report should be the beginning balance entered on the current report. However, the Auditor found that ANC 8D's Treasurer erroneously recorded the bank statement's ending balance as the beginning balance on quarterly financial reports rather than the ending balance of the previous quarterly report. As a result of this error, the beginning and ending balances on most quarterly financial reports filed by ANC 8D were incorrect. ANC 8D's Treasurer also reported expenditures for the wrong quarters on quarterly financial reports. For example, seven checks totaling \$2,165.28 issued between March 29, 2001 and December 31, 2001 were reported on the wrong quarterly financial report. Additionally,

disbursements made during the second quarter of fiscal year 2001 were reported on the third quarter report for fiscal year 2001. Table X presents expenditures reported in the wrong quarterly financial reporting period.

**Table X**  
**ANC 8D Expenditures Reported in Wrong Quarter**  
**For the Period March 29, 2001 Through December 31, 2001**

<b>Check #</b>	<b>Date Issued</b>	<b>Payee</b>	<b>Amount</b>	<b>Quarter Issued</b>	<b>Quarter Reported</b>
1005	03/29/01	Postmaster	\$ 125.00	2 <sup>nd</sup> Quarter 2001	3 <sup>rd</sup> Quarter 2001
1006	03/29/01	Verizon	303.45	2 <sup>nd</sup> Quarter 2001	3 <sup>rd</sup> Quarter 2001
1007	03/29/01	District Cable	344.07	2 <sup>nd</sup> Quarter 2001	3 <sup>rd</sup> Quarter 2001
1028	06/26/01	Quill	892.76	3 <sup>rd</sup> Quarter 2001	4 <sup>th</sup> Quarter 2001
1035	09/01/01	Loretta Wilkins	100.00	4 <sup>th</sup> Quarter 2001	1 <sup>st</sup> Quarter 2002
1051	12/31/01	Loretta Wilkins	200.00	1 <sup>st</sup> Quarter 2002	2 <sup>nd</sup> Quarter 2002
1052	12/31/01	Petty Cash	200.00	1 <sup>st</sup> Quarter 2002	2 <sup>nd</sup> Quarter 2002
<b>Total</b>			<b>\$2,165.28</b>		

Source: ANC 8D's quarterly financial reports

Additionally, the Auditor found that ANC 8D's Treasurer submitted incomplete quarterly financial reports to the Auditor's office. For example, some reports were not signed by ANC 8D's former Chairperson, Treasurer, and Secretary as required by the ANC Act. ANC officers responsible for signing reports failed to establish a process which would ensure that all ANC reports were reviewed and signed before submission to the Auditor's office. Also, some reports lacked critical supporting documentation such as invoices, receipts, bank statements, minutes, and canceled checks. Despite these deficiencies, the reports were approved by a majority of ANC 8D Commissioners.

Correspondence from the Auditor's office regarding ANC 8D's financial reporting requirements and quarterly report deficiencies was addressed to its then Treasurer with a copy sent to its then Chairperson. ANC 8D's Chairperson and Treasurer received sufficient and early notification of the late filing of and deficiencies in ANC 8D's reports and should have immediately taken corrective action before the problem finally resulted in the surrender of its checkbook to the D.C. Auditor and the forfeiture of quarterly allotments. Despite repeated written notification from the Office of the D.C. Auditor warning of financial reporting deficiencies, ANC 8D's

Commissioners continued to approve quarterly reports that were incorrectly, erroneously, and carelessly prepared. ANC 8D's continuing failure to file complete and accurate quarterly financial reports with the Office of the D.C. Auditor and to implement previous audit recommendations related to this finding affected the overall operations of the ANC and made it nearly impossible for current Commissioners to effectively serve the residents of ANC 8D.

### **RECOMMENDATIONS**

1. ANC 8D's Chairperson, Secretary, and Treasurer prepare and file accurate, complete, and timely quarterly financial reports with the Office of the D.C. Auditor, ensuring that all bank charges are added to the total disbursements and that the ending balance of the previous quarter is recorded as the beginning balance of the current quarter with appropriate adjustments included and fully explained.
2. ANC 8D's Chairperson and Treasurer ensure that quarterly financial reports are made available to all Commissioners well in advance of the meeting in which the approval of the report(s) will be requested.
3. All Commissioners must carefully review quarterly financial reports before approval, including supporting documentation for each check written.
4. The Chairperson and Treasurer must ensure that each report is signed by the Chairperson, Treasurer, and Secretary, and that the Secretary signs the certification statement acknowledging that the Commission approved the quarterly report in a duly noticed public meeting of the ANC.
5. The Chairperson, Secretary, and Treasurer ensure that quarterly financial reports are submitted to the D.C. Auditor's office in a manner that fully complies with § 1-309.13(j) (1) of the D.C. Code.

### **ANC 8D's BANK STATEMENTS WERE NOT PROPERLY RECONCILED TO THE ANC's CHECKBOOK**

The ANC Financial Management Guidelines issued by the Office of the District of Columbia Auditor state that ANC treasurers should reconcile the bank statement to the checkbook within 15 days of receipt of the statement. Upon completion of the reconciliation, the Chairperson or Vice-

Chairperson should review the statement and bank reconciliation and initial these documents to show that they have been independently reviewed by either of these officers.<sup>14</sup> The Auditor found that ANC 8D's reconciliations for the audit period were not reviewed by the Chairperson or Vice-Chairperson as recommended in the ANC Financial Management Guidelines. In addition, ANC 8D's Treasurer did not always include bank service charges in reconciliations which resulted in incorrect balances.

## **RECOMMENDATIONS**

1. ANC 8D's Treasurer ensure that all bank statements are reconciled promptly and accurately, that outstanding checks and bank service charges are included, and that other necessary adjustments are made to reflect the correct checkbook balance. If the Treasurer does not know how to perform a reconciliation, he/she should contact the Office of the D.C. Auditor for guidance.
2. ANC 8D's Chairperson or Vice-Chairperson review all bank statements and reconciliations, and initial these documents to show that they were reviewed.

## **ANC 8D HELD THE NUMBER OF PUBLIC MEETINGS REQUIRED BY THE ANC ACT**

Section 1-309.11(b)(1) of the D.C. Code states: "Each Commission shall meet in public session at regular intervals at least 9 times per year..." As presented in Appendix IV, the Auditor found that, during the audit period, ANC 8D held a total of 22 public meetings, four special meetings, and three working sessions. Of the 22 meetings held during the audit period, eight were held in 2001, nine in 2002, and five through the second quarter of fiscal year 2003. Therefore, ANC 8D complied with the requirements under Section 1-309.11(b)(1) of the D.C. Code.

## **Minutes of ANC 8D Meetings Did Not Adequately Document the Commissioner's Specific Authorization of All Financial Transactions**

Section 1-309.13(f) of the D.C. Code states, in relevant part, that: "No expenditure of any amount shall be made without the specific authorization of the Commission . . ." The ANC Financial Management Guidelines issued by the Office of the D.C. Auditor also state that: "All ANC disbursements must be approved by the Commission in a public meeting at which a quorum of Commissioners is present, and recorded in the minutes for that meeting."<sup>15</sup>

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<sup>14</sup>See ANC Financial Management Guidelines at 7.

<sup>15</sup>*Id.* at 6.

The Auditor's review of ANC 8D's minutes for public meetings held during the audit period revealed that ANC 8D did not specifically approve or authorize disbursements reported in quarterly financial reports even though quarterly financial reports were approved by a majority of ANC 8D's Commissioners in a public meeting. The Auditor has long held and stated on many occasions that the approval of the quarterly financial report alone does not satisfy the requirement of §1-309.13(f) of the D.C. Code. Expenditures must be made based on the specific prior authorization of the Commission. Of the \$27,190.36 disbursed during the audit period, the Commission specifically authorized expenditures totaling only \$4,143.60. ANC 8D's former Chairperson and Treasurer expended approximately \$23,046.76 in ANC funds without the specific authorization of the Commission. The Auditor found that, despite ANC 8D Commissioners' concern about and dissatisfaction with the manner in which funds were expended, the former Chairperson and Treasurer continued to make disbursements without the specific authorization of the Commission.<sup>16</sup> For example, ANC 8D's former Treasurer withdrew \$1,000 from the ANC's checking account on May 6, 2002, and purchased over \$800 in stamps for which the Auditor found no discussion or specific authorization of the expenditure in the minutes of the ANC's public meetings. Appendix IV presents dates of ANC 8D meetings, specific expenditures authorized, and minutes maintained during the audit period.

## **RECOMMENDATIONS**

- 1 All ANC expenditures must be specifically authorized and approved by a majority of Commissioners and reflected in the minutes of the public meeting in which the Commissioners' authorization was obtained. ANC expenditures cannot be approved or ratified via a quarterly financial report if these expenditures were not previously authorized and approved at a Commission meeting.**
- 2 ANC 8D Commissioners must ratify all unapproved disbursements made during the audit period in a public meeting at which a quorum is present within 90 days of the date of this report or the expenditures will be deducted from future quarterly allotments.**
- 3. OCC investigate the former Treasurer and Chairperson for possible misfeasance and malfeasance in executing their financial responsibilities under the ANC Act.**

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<sup>16</sup> Minutes for a town hall meeting held September 28, 2002 indicated that two ANC 8D Commissioners expressed concern about how funds were being spent by the Treasurer and Chairperson without prior Commission approval.

**ANC 8D FAILED TO FOLLOW AND SUBSEQUENTLY IMPLEMENT PREVIOUS RECOMMENDATIONS FROM AUDIT FINDINGS IN A REPORT DATED OCTOBER 27, 2000 RELATING TO PROPER PREPARATION OF VOUCHER PACKAGES AND PETTY CASH USAGE GUIDELINES**

In the ANC 8D audit report,<sup>17</sup> the Auditor found that ANC 8D needed to improve its internal financial controls. Because voucher packages were not properly prepared, it was extremely difficult to verify expenditures made between October 3, 1997 and July 1, 2000. The Auditor recommended that ANC 8D follow the ANC Act, ANC Financial Management Guidelines, and legal opinions issued by the OCC in maintaining proper financial documentation. The Auditor found that during the current audit period, September 1, 2000 through March 31, 2003, ANC 8D expenditures reported on quarterly financial reports totaled \$27,190.36. Of the \$27,190.36, approximately \$9,461, or 35%, lacked adequate supporting documentation.

Also in the ANC 8D audit report, the Auditor found that ANC 8D violated petty cash guidelines by issuing checks to “petty cash,” in violation of § 1-309.13 (f). At that time, the Auditor recommended that ANC 8D immediately adhere to established regulations and guidelines concerning petty cash usage, including, but not limited to, maintaining adequate documentation to support all expenditures.

Currently, the Auditor found that ANC 8D did not implement the audit recommendations made in the previous audit of ANC 8D. As of March 31, 2003, ANC 8D was still violating petty cash procedures. Between March 2, 2001 and December 6, 2002, ANC 8D’s former Chairperson and Treasurer wrote 23 checks totaling \$4,405 payable to “cash and petty cash.” ANC 8D officials failed to comply with previous audit recommendations and continued to violate D.C. Code, 2001 Ed. § 1-309.13(f) which states, in relevant part, that “. . .No check may be made payable to cash.” ANC 8D’s Chairperson and Treasurer failed to maintain petty cash voucher packages which should have listed the voucher number, date, payee, description of the purchase, amount, the signature of the payee, and the signature of the ANC Commissioner authorizing the disbursement. ANC 8D’s officers had not taken any corrective actions to ensure that established regulations and guidelines concerning petty cash usage were followed.

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<sup>17</sup>See note 6.

## **CONCLUSION**

The Auditor's review of ANC 8D's financial transactions and operations revealed multiple violations of the ANC Act, including §§ 1-309.13 (b) (2), § 1-309.13 (f), § 1-309.1 (h), § 1-309.13 (d)(1), and § 1-309.13 (j)(1) of the D.C. Code. ANC 8D also failed to follow the ANC Financial Management Guidelines issued by the Office of the District of Columbia Auditor and legal guidance rendered by OCC. The violations included the following:

- 1 missing, incomplete, and inadequate documentation to support expenditures and disbursements made during the time period covered by ANC 8D's quarterly financial reports;
2. failure to file timely quarterly financial reports as required by §1-309.13 (j) (1); and
3. failure to follow or implement previous recommendations made by the Auditor in an October 27, 2000 report regarding needed improvements in internal financial controls relating to preparation of voucher packages.

In preparing its quarterly financial reports during the audit period, ANC 8D's Treasurer failed to include mandatory documentation to support expenditures and disbursements. In an audit report dated October 27, 2000, ANC 8D was previously cited for its failure to provide adequate documentation when disbursing funds and its failure to prepare voucher packages for each disbursement. Approximately \$9,461, or 35%, of disbursements totaling \$27,190.36 made during the current audit period lacked adequate supporting documentation such as invoices, receipts, bank statements, and minutes. Also, ANC 8D's Treasurer could not account for three checks totaling \$421. The Auditor subpoenaed copies of these checks from the bank at the ANC's expense. The bank determined that the checks had not been presented for payment. In order to ensure that these checks are not charged to the ANC's account, the current Treasurer and Chairperson should immediately place stop payment orders on these outstanding checks for the longest period of time allowed by the bank at which the ANC maintains its checking account.

ANC 8D failed to comply with D.C. Code, 2001 Ed. §1-309.13(j)(1) and the ANC Financial Management Guidelines issued by the Office of the District of Columbia Auditor requiring the ANC Treasurer to prepare and file quarterly financial reports on a timely basis. Of the nine reports due during the audit period, two, or 22%, were filed by the due date and seven, or 78%, were filed late ranging from six to 420 days. Additionally, reports filed by ANC 8D were not always accurate and complete. Quarterly reports lacked substantial supporting documentation such as invoices, receipts,

bank statements, minutes, and canceled checks. Also, quarterly reports were not always signed by the Chairperson, Treasurer, and Secretary.

4. ANC 8D failed to include "*District of Columbia Government*" in its bank account name and failed to request and subsequently obtain a District of Columbia tax identification number in violation of §1-309.13 (b) (2). Further, ANC 8D failed to include "*District of Columbia Government*" on the face of its checks in violation of §1-309.13 (f).

ANC 8D's bank account name and face of its checks did not include the phrase "*District of Columbia Government*" as required by D.C. Code, 2001 Ed. §1-309.13(b)(2) and §1-309.13 (f) until July 2002. As a result, 58 checks and two counter withdrawals totaling \$16,783.84 were issued on a non-compliant account. Additionally, there is no evidence that the Commission's Chairperson or Treasurer requested and obtained a District of Columbia tax identification number.

5. ANC 8D failed to implement previous recommendations contained in the October 27, 2000 audit report relating to violation of petty cash procedures. During the period under review, the ANC's officers continued to engage in a pattern of misfeasance in the administration of ANC 8D's petty cash fund in violation of §1-309.13 (h) and the District's imprest fund policies and procedures.

ANC 8D's former Treasurer and former Chairperson failed to follow District imprest fund (petty cash) procedures and violated D.C. Code, 2001 Ed. §1-309.13(f). The former Chairperson was the petty cash custodian during the audit period. ANC 8D's Treasurer issued 23 checks to petty cash totaling \$4,405 during the period of March 2, 2001 through December 6, 2002, of which \$1,985.01, or 45%, lacked adequate supporting documentation. ANC 8D's Treasurer issued two checks totaling \$300 to petty cash within a seven-day period from May 23, 2001 to May 30, 2001. The former Treasurer and former Chairperson wrote checks payable to "cash," signed, endorsed, and cashed the checks. Further, the petty cash custodian failed to prepare and maintain vouchers to support petty cash disbursements.

6. Use of ANC 8D funds to "cater" food at a committee meeting and pay travel expenses of a volunteer assistant violated §1-309.13(l) (1).

ANC 8D officers violated D.C. Code, 2001 Ed. §1-309.13(1) by using \$200 of the ANC's funds to cater food for a committee meeting. Also, ANC 8D officials used \$1,600 of ANC funds to pay for a volunteer office assistant's travel expense to and from ANC 8D's office. Both transactions violated D.C. Code, 2001 Ed. §1-309.13(l)(1).

7. Unauthorized long distance calls; checks issued with one signature without Commission approval, and the failure of ANC 8D Commissioners to specifically authorize disbursements reported in quarterly financial reports reflected an ongoing pattern of misfeasance in violation of §1-309.13 (f).

ANC 8D incurred \$430 in unauthorized long distance calls made between December 26, 2001 and February 27, 2003. Approximately 150 long distance calls were made during this period from ANC 8D's telephone number to 53 cities in 22 states and Canada.

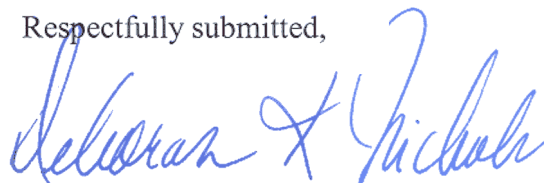
Further, ANC 8D's former Treasurer made four disbursements totaling \$1,600 from ANC 8D's checking account with only one signature. Of the total \$1,600, the Treasurer withdrew \$1,200 from ANC 8D's checking account with only her signature and without the Commissions' authorization. Of the \$1,200 withdrawn from the ANC's account, \$200 was deposited into ANC 8D's savings account. However, the former Treasurer had in her possession the remaining \$1,000 and made no purchases until approximately two months after the withdrawal and approximately four and a half months before the last purchase made with these funds. The Treasurer accounted for only \$841.17 which were used to purchase stamps and office supplies.

ANC 8D Commissioners did not authorize all expenditures prior to the Treasurer disbursing funds and subsequently reporting the disbursements in quarterly financial reports.

ANC 8D complied with D.C. Code, 2001 Ed. §1-309.11(b)(1) which requires ANCs to conduct at least nine public meetings annually. ANC 8D held 22 public meetings during the audit period.

Pursuant to D.C. Code, 2001 Ed. §1-309.13 (d) (3), ANC 8D must respond in writing to each of the violations detailed herein within 90 days. Failure to do so will result in the forfeiture of ANC 8D's next scheduled quarterly allotment until a response is filed.

Respectfully submitted,



Deborah K. Nichols

District of Columbia Auditor

# APPENDICES

**Advisory Neighborhood Commission 8D**  
**Disbursements Without Adequate Documentation**  
**For the Period September 1, 2000 Through March 31, 2003**

<b>Check #</b>	<b>Date</b>	<b>Payee</b>	<b>Amount</b>	<b>Expense Category #</b>	<b>Purpose of Expenditure</b>
2412	11/09/00	PEPCO	\$ 49.32	12	Utilities -Electric
2413	11/09/00	Verizon	59.71	10	Telephone Service
1002	03/02/01	Petty Cash	200.00	19	Petty Cash -moving expense
1003	03/18/01	Petty Cash	200.00	19	Petty Cash -supplies & moving expense
1004	03/28/01	Petty Cash	200.00	19	Petty Cash -supplies & moving expense
1008	04/10/01	Lanier	561.27	15	Office Supplies - Toner
1011	04/27/01	Quill	16.74	15	Office Supplies
1012	04/27/01	Quill	380.18	15	Office Supplies
1014	05/01/01	Petty Cash	72.00	19	Catering / refreshments \$60 4/24/01 Delores Deville, Stamps \$68
1015	05/03/01	Petty Cash	158.59	19	Receipt from Staples for \$41.41
1016	05/09/01	Petty Cash	100.00	19	Catering /refreshments \$100 5/8/01 Delores Deville
1019	05/23/01	Loretta Wilkins	50.00		Transportation - Office Assistant
1020	05/23/01	Petty Cash	9.35	19	Petty Cash

1021	05/30/01	Loretta Wilkins	50.00		Transportation - Office Assistant
1022	05/30/01	Petty Cash	100.00	19	Paid \$100 for catering to Loretta Wilkins ANC 8D Office Assistant
1025	06/04/01	Keith Johnson	100.00	22	Furniture Setup
1026	06/15/01	Loretta Wilkins	100.00		Transportation - Office Assistant
1028	06/26/01	Quill	892.76	15	Office Supplies
1030	07/13/01	Loretta Wilkins	200.00	8	Transportation - Office Assistant
1033	08/18/01	Loretta Wilkins	200.00	8	Transportation
1035	09/01/01	Loretta Wilkins	100.00	8	Transportation - Office Assistant
1036	09/01/01	Petty Cash	50.07	19	Petty Cash
1040	09/19/01	Loretta Wilkins	100.00	8	Transportation - Office Assistant
1041	10/10/01	Loretta Wilkins	100.00	8	Transportation - Office Assistant
1044	10/24/01	Loretta Wilkins	100.00	8	Transportation - Office Assistant
1046	11/17/01	Loretta Wilkins	100.00	22	Transportation - Office Assistant
1049	12/01/01	Loretta Wilkins	100.00	8	Transportation - Office Assistant
1051	12/31/01	Loretta Wilkins	200.00	8	Transportation - Office Assistant
1056	02/04/02	Loretta Wilkins	200.00	8	Transportation - Office Assistant
1057	02/17/02	Quill	212.49	15	Office Supplies

1060	02/17/02	Robin Walker	20.00		Flyer Distribution
1062	03/26/02	Petty Cash	50.00	19	Refreshments and flyer distribution
1063	03/30/02	Quill Corporation	572.16	15	Office Supplies
1064	04/15/02	Public Storage Inc.	274.60	9	Rent
1065	05/09/02	Lanier	208.30	14	Service Copier - Equipment
1066	04/30/02	Petty Cash	140.00	19	Flyer distribution May 20 <sup>th</sup> Monthly Meeting
1067	05/04/02	Public Storage	104.00	9	Rent
	05/06/02	Brenda Strickland	158.83	22	Counter withdrawal
1302	07/20/02	Quill	624.43	15	Office Supplies
1305	07/20/02	Public Storage	130.30	9	Rent
1306	07/30/02	Petty Cash	105.00	22	Newsletter
1307	07/28/02	Petty Cash	200.00	19	Meeting
1308	07/29/02	Public Storage	119.00	9	Rent
1312	08/08/02	Quill	800.00	15	Office Supplies
1313	09/01/02	Public Storage	126.00	9	Rent
1314	09/17/02	Public Storage	126.00	9	Rent
1315	09/17/02	Petty Cash	200.00	19	Monthly Meeting
1319	09/23/02	Beemak Plastics Inc.	36.89	15	Office Supplies Brochure Holder

1320	09/23/02	NCS	51.25	15	Office Supplies
1321	11/08/02	Public Storage	252.00	9	Rent
1323	12/06/02	Petty Cash	200.00		Meeting Awards
<b>Total</b>			<b>\$ 9,461.24</b>		

Source: ANC 8D's check book and quarterly financial statements

Appendix II

Advisory Neighborhood Commission 8D  
 Long Distance Calls Made  
 During the Period December 26, 2001 Through February 27, 2003

Date	Time	Place	Minutes	Amount
12/26/01	7:06 p.m.	Jacksonville, AR	35.1	\$ 9.66
12/27/01	11:19 a.m.	Jacksonville, AR	4.2	1.19
12/27/01	11:38 a.m.	Jacksonville, AR	7.1	1.96
12/28/01	6:48 p.m.	Jacksonville, AR	7.0	1.93
01/10/02	3:39 p.m.	Jacksonville, AR	1.4	.47
01/10/02	3:42 p.m.	Jacksonville, AR	.4	.21
01/18/02	5:30 p.m.	Jacksonville, AR	.3	.14
01/25/02	6:14 p.m.	Jacksonville, AR	61.2	16.86
01/25/02	7:29 p.m.	Sanford, FL	.3	.14
12/27/01	11:24 a.m.	Orange, NJ	10.1	2.78
01/10/02	3:42 p.m.	Orange, NJ	.3	.14
01/10/02	3:43 p.m.	Orange, NJ	25.5	7.10
01/16/02	9:53 p.m.	Orange, NJ	21.4	5.94
01/18/02	1:31 p.m.	Orange, NJ	1.4	.44
01/18/02	5:25 p.m.	Orange, NJ	1.4	.44
01/18/02	5:27 p.m.	Orange, NJ	.4	.20
01/18/02	5:52 p.m.	Orange, NJ	1.1	.31
01/24/02	2:57 p.m.	Orange, NJ	.5	.22
01/24/02	9:44 a.m.	Orange, NJ	5.2	1.49
01/24/02	9:51 a.m.	Orange, NJ	.3	.14
01/25/02	7:16 p.m.	Orange, NJ	7	1.93

01/24/02	9:51 a.m.	Newark, NJ	1.1	.33
01/24/02	9:53 a.m.	Newark, NJ	2.2	.64
01/24/02	9:56 a.m.	Newark, NJ	2.4	.72
01/24/02	9:59 a.m.	Elizabeth, NJ	2.3	.69
01/24/02	9:42 a.m.	Director Asst., NJ	1	1.99
01/18/02	6:32 p.m.	Martinsburg, WV	38.1	10.48
01/18/02	7:24 p.m.	Martinsburg, WV	1.2	.36
01/23/02	8:02 a.m.	Martinsburg, WV	10.5	3.00
01/23/02	8:11 a.m.	Martinsburg, WV	9.3	2.62
01/18/02	10:26 p.m.	Sanford, FL	5.5	1.60
01/18/02	10:33 p.m.	Sanford, FL	.4	.17
01/18/02	10:46 p.m.	Sanford, FL	.5	.25
01/22/02	8:09 p.m.	Palm Spring, CA	1.1	.31
01/22/02	8:11 p.m.	Palm Spring, CA	2.1	.58
		Taxes & Fees		25.87
Total Jan 02 Exp.				103.3
02/06/02	9:46 a.m.	Richmond, VA	.5	.22
02/06/02	12:01 p.m.	Richmond, VA	1.4	.47
02/08/02	11:45 a.m.	Philadelphia, PA	1	.28
02/11/02	2:09 a.m.	New York, NY	.4	.17
02/12/02	10:29 a.m.	Richmond, VA	1.2	.36
02/12/02	4:22 p.m.	New York, NY	.4	.17
02/12/02	4:44 p.m.	New York, NY	.4	.17
02/12/02	4:52 p.m.	New York NY	.4	.17
02/19/02	10:27 a.m.	Charlottesville, VA	3.1	.86
02/19/02	10:56 a.m.	Highland, IN	4.1	1.13

02/19/02	10:56 a.m.	Dallas ,TX	5.3	.44
02/19/02	11:08 a.m.	Princefrck, MD	5.3	1.52
02/19/02	11:14 a.m.	Princefrck, MD	.4	.17
02/19/02	3:12 p.m.	Towson, MD	.4	.20
02/20/02	11:57 a.m.	Richmond,VA	2.5	.77
02/20/02	3:29 p.m.	Columbia, MD	.5	.22
02/20/02	3:30 p.m.	Houstaonic, MA	.5	.22
02/24/02	12:36 p.m.	Columbia, MD	1	.28
02/20/02	12:56 p.m.	Glendale, CA	1	.28
02/24/02	1:07 p.m.	Palm Spring, CA	1.1	.31
02/08/02	11:38 a.m.	Dir Ass IST	2	1.99
02/08/02	11:40 a.m.	Dir Ass IST	2	1.99
		<b>Taxes &amp; Fees</b>		22.26
Total Feb 02 Exp				34.65
02/28/02	4:07 p.m.	Atlanta, GA	4.6	1.27
03/01/02	4:48 p.m.	Harrisburg, PA	1.1	.31
03/08/02	1:47 p.m.	Cartersvl, GA	8.1	2.23
03/09/02	2:57 p.m.	Carlisle, PA	1.2	.33
03/11/02	1:24 p.m.	Carlisle, PA	.7	.20
03/11/02	1:28 p.m.	Atlantic, IA	2	.55
03/14/02	11:28 a.m.	Mckinne, TX	1.9	.53
03/14/02	12:41 p.m	Murray, UT	2.2	.61
03/14/02	12:41 p.m.	Midlothian, VA	.5	.14
03/19/02	3:37 p.m.	Wilmington, NC	.9	.25
03/20/02	1:14 p.m.	Baltimore, MD	.5	.14
03/20/02	1:14 p.m.	Baltimore, MD	.5	.14

03/20/02	2:19 p.m.	Cartersvl, GA	.9	.25
03/21/02	4:21 p.m.	Chicago, IL	.5	.14
03/22/02	4:39 p.m.	Baltimore, MD	.5	.14
		Taxes & Fees		21.96
Total Mar 02 Exp				29.19
04/14/02	11:06 a.m.	Baltimore, MD	5	1.38
04/14/02	11:12 a.m.	Baltimore, MD	1.7	.47
04/15/02	10:29 a.m.	Baltimore, MD	27.7	7.62
04/15/02	1:04 p.m.	Cartersvl, GA	7.9	2.18
04/15/02	1:24 p.m.	Cartersvl, GA	1.3	.36
04/15/02	2:13 p.m.	Richmond, VA	1.7	.47
04/16/02	7:04 a.m.	Baltimore, MD	.9	.25
04/16/02	7:05 a.m.	Baltimore, MD	2.8	.77
04/16/02	9:11 a.m.	Baltimore, MD	.5	.14
04/16/02	9:13 a.m.	Baltimore, MD	.5	.14
04/16/02	10:28 a.m.	Baltimore, MD	1.7	.47
04/16/02	10:31 a.m.	Waterloo, MD	1.3	.36
04/16/02	10:34 a.m.	Baltimore, MD	7.4	2.04
04/16/02	12:29 p.m.	Baltimore, MD	2.6	.72
04/17/02	12:01 p.m.	Baltimore, MD	1	.28
04/18/02	6:40 a.m.	Orange, NJ	2.3	.64
04/21/02	7:56 a.m.	Baltimore, MD	6.3	1.74
04/22/02	10:35 a.m.	Cartersvl, GA	.7	.20
04/23/02	4:52 p.,m.	Canton, GA	3.6	.99
04/24/02	4:41 p.m.	Los Angles ,CA	2.1	.58
		Taxes & Fees		14.07

Total April 02 Exp				35.87
04/29/02	12:28 p.m	Cartersvl, GA	8.4	2.31
05/05/02	9:00 a.m.	Baltimore, MD	5.4	1.49
05/07/02	9:48 a.m.	Baltimore, MD	2.1	.58
05/07/02	9:50 a.m.	Baltimore, MD	1.9	.53
05/08/02	9:18 a.m.	Baltimore, MD	.7	.20
05/08/02	12:48 p.m.	Baltimore, MD	1.2	.33
05/08/02	12:50 p.m.	Baltimore, MD	1.1	.31
05/08/02	1:01 p.m.	Baltimore, MD	3.3	.91
05/08/02	1:05 p.m.	Baltimore, MD	.5	.14
05/08/02	1:06 p.m.	Baltimore, MD	2.4	.66
05/15/02	5:53 p.m.	Dallas, TX	4.5	1.24
05/19/02	8:27 a.m.	Baltimore, MD	5.4	1.59
		Taxes & Fees		22.67
Total May 02 Exp				32.96
06/02/02	8:42 a.m.	Baltimore, MD	3.4	1.00
06/02/02	8:42 a.m.	Baltimore, MD	5.1	1.50
06/03/02	12:02 p.m.	Columbia, SC	5.1	1.50
06/06/02	2:02 p.m.	Boise, ID	.9	.27
06/16/02	8:12 a.m.	Baltimore, MD	5.1	1.50
06/24/02	2:19 a.m.	Fayetteville, NC	1.5	.45
06/24/02	2:24 a.m	Glendale, NC	2.4	.71
06/24/02	2:32 a.m.	Hicksville, NY	1.1	.33
06/24/02	2:35 a.m.	Wayne, PA	2.4	.71
06/24/02	2:38 a.m.	Okla City, OK	.5	.15

06/24/02	4:33 a.m.	Boulder, CO	1.6	.48
06/25/02	8:12 a.m.	Jacksonville, AR	1.1	.33
06/25/02	8:13 a.m.	Orange NJ	.5	.15
06/25/02	8:14 a.m.	Orange, NJ	3.4	1.00
06/24/02	2:21 a.m.	Unionville, ON	1.5	.35
		<u>Taxes &amp; Fees</u>		22.74
<b>Total June 02 Exp</b>				33.17
07/08/02	11:04 a.m.	Dallas ,TX	1.7	.50
07/22/02	12:27 p.m.	Haddonfld, NJ	2.2	.65
07/23/02	1:33 p.m.	Haddonfld, NJ	2.1	.62
07/24/02	3:27 p.m.	Columbia, MD	.5	.15
07/24/02	3:28 p.m.	Columbia, MD	.9	.27
07/25/02	12:54 p.m.	Baltimore, MD	1.5	.45
		<u>Taxes &amp; Fees</u>		20.95
<b>Total Jul 02 Exp</b>				23.59
08/06/02	12:12 p.m.	Ann Arbor, MI	.8	.24
08/07/02	9:29 a.m.	Oglesby, IL	.5	.15
08/14/02	12:13 p.m.	Ann Arbor, MI	.7	.21
08/16/02	11:25 a.m.	Dallas, TX	1.3	.39
08/16/02	11:26 a.m.	Dallas ,TX	.5	.15
08/163/02	11:28 a.m.	Dallas ,TX	.6	.18
08/22/02	5:24 a.m.	Glenburnie, MD	.9	.27
08/22/02	1:50 p.m.	Jacksonville, AR	.5	.15
08/22/02	1:51 p.m.	Orange, NJ	1.8	.53
08/23/02	9:48 a.m.	Orange, NJ	2.1	.62

08/23/02	9:51 a.m.	Jacksonville, AR	5	1.47
		Taxes & Fees		21.32
Total Aug 02 Exp				25.68
08/29/02	3:14 p.m.	Ann Arbor, MI	.9	.27
		Taxes & Fees		20.38
Total Sep 02 Exp				20.65
10/01/02	6:41 p.m.	Ladysmith, VA	.5	.15
10/15/02	6:24 p.m.	North Dade, FL	.9	.27
		Taxes & Fees		20.42
Total Oct 02 Exp				20.84
11/06/02	11:53 a.m.	Philadelphia, PA	1.7	.50
11/06/02	11:59 a.m.	Pittsburgh, PA	.8	.24
11/06/02	12:24 p.m.	Merchantvl, NJ	.9	.27
11/06/02	12:57 p.m.	Norkwalk, CA	1	.30
		Taxes & Fees		20.61
Total Nov 02 Exp				21.92
01/06/03	10:57 a.m.	Fort Myers, FL	15.7	4.62
01/18/03	7:47 p.m.	Philadelphia, PA	.5	.15
		Taxes & Fees		19.59
Total Jan 03 Exp				24.36
		Taxes & Fees		18.48
Total Feb 03 Exp				18.48

02/26/03	4:218 p.m.	West River, MD	2.5	.74
02/27/03	2:25 p.m.	West River, MD	.5	.15
02/27/03	2:25 p.m.	West River, MD	1.2	.36
02/27/03	2:33 p.m.	West River, MD	2.8	.83
02/27/03	2:37 p.m.	West River, MD	.6	.18
02/27/03	2:38 p.m.	West River, MD	.5	.15
02/27/03	2:41 p.m.	West River, MD	2.3	.68
		Taxes & Fees		2.41
Total Mar 03 Exp				5.50
Total				\$ 430.15

Source: Auditor analysis of ANC 8D's Verizon detail telephone bills dated 02/08/02 through 04/08/03

**Advisory Neighborhood Commission 8D  
Checks Issued From a Non-Compliant Bank Account  
During the Period April 2001 Through July 2002**

Check #	Amount	Date Issued	Payee	Purpose of Expenditure
1008	\$ 561.27	04/10/01	Lanier	Office Supplies - Toner
1009	2,775.00	04/10/01	Thomas Ruffin	Rent
1010	582.94	04/27/01	Lanier	Office Supplies - Toner
1011	16.74	04/27/01	Quill	Office Supplies
1012	380.18	04/27/01	Quill	Office Supplies
1013	169.00	05/02/01	Lanier	Copier Repair -Equipment
1014	200.00	05/01/01	Petty Cash	Catering /Refreshments \$60.00 4/24/01 Delores Deville, Stamps \$68.00
1015	200.00	05/03/01	Petty Cash	Unknown
1016	200.00	05/09/01	Petty Cash	Catering / Refreshments \$100.00 5/8/01 Delores Deville
1017	249.99	05/23/01	Quill	Office Supplies -Quick Book Pro 2001
1018	337.12	05/23/01	Quill	Office Supplies
1019	50.00	05/23/01	Loretta Wilkins	Transportation - Office Assistant
1020	100.00	05/23/01	Petty Cash	Petty Cash
1021	50.00	05/30/01	Loretta Wilkins	Transportation - Office Assistant
1022	200.00	05/30/01	Petty Cash	Paid \$100 for catering to Loretta Wilkins ANC 8D Office Assistant
1023	153.76	05/30/01	Quill	Office Supplies
1024	686.22	06/04/01	Quill	Office Supplies

1025	100.00	06/04/01	Keith Johnson	Furniture Setup
1026	100.00	06/15/01	Loretta Wilkins	Transportation - Office Assistant
1027	200.00	06/21/01	Petty Cash	Petty Cash
1028	892.76	06/26/01	Quill	Office Supplies
1029	218.00	07/13/01	Robin Walker	Caterer / Resturant
1030	200.00	07/13/01	Loretta Wilkins	Transportation - Office Assistant
1031	200.00	07/13/01	Cash	Petty Cash
1032	100.01	08/18/01	Quill	Office Supplies
1033	200.00	08/18/01	Loretta Wilkins	Transportation
1034	200.00	08/18/01	Petty Cash	Petty Cash
	200.00	08/24/01	Transfer from checking to savings account	Transfer from checking to savings account
1035	100.00	09/01/01	Loretta Wilkins	Transportation - Office Assistant
1036	200.00	09/01/01	Petty Cash	Petty Cash
1037	158.00	09/19/01	Quill	Supplies
1038	348.50	09/19/01	Quill	Supplies
1039	372.98	09/19/01	Quill	Supplies
1040	100.00	09/19/01	Loretta Wilkins	Transportation - Office Assistant
1041	100.00	10/10/01	Loretta Wilkins	Transportation - Office Assistant
1042	200.00	10/10/01	Petty Cash	Photos
1043	250.00	10/17/01	ABC Pictures	Films Development
1044	100.00	10/24/01	Loretta Wilkins	Transportation - Office Assistant
1045	250.86	11/24/01	Quill	Supplies

1046	100.00	11/17/01	Loretta Wilkins	Transportation - Office Assistant
1047	200.00	11/17/01	Petty Cash	Various Meeting Supplies
1048	317.57	11/17/01	Lanier	Equipment Repair
1049	100.00	12/01/01	Loretta Wilkins	Transportation - Office Assistant
1050	200.00	12/01/01	Petty Cash	Petty Cash
1051	200.00	12/31/01	Loretta Wilkins	Transportation - Office Assistant
1052	200.00	12/31/01	Petty Cash	Petty Cash
1053	0.00	Unknown	Unknown	Unknown
1054	140.26	02/04/02	Quill	Office Supplies
1055	84.93	02/04/02	Quill	Office Supplies
1056	200.00	02/04/02	Loretta Wilkins	Transportation - Office Assistant
1057	212.49	02/17/02	Quill	Office Supplies
1058	0.00	Unknown	Unknown	Unknown
1059	166.20	02/17/02	Public Storage	Rent
1060	200.00	02/17/02	Robin Walker	Catering
1061	200.00	02/17/02	Petty Cash	Petty Cash
1062	200.00	03/26/02	Petty Cash	Petty Cash
1063	572.16	03/30/02	Quill Corporation	Office Supplies
1064	274.60	04/15/02	Public Storage Inc.	Rent
1065	208.30	05/09/02	Lanier	Service Copier - Equipment
1066	200.00	04/30/02	Petty Cash	May Monthly Meeting
1067	104.00	05/04/02	Public Storage	Rent
	1,000.00	05/06/02	Brenda Strickland	Counter Withdrawal
<b>Total</b>	<b>\$ 16,783.84</b>			

Source: ANC 2B's checkbook and canceled checks

**Advisory Neighborhood Commission 8D  
Meetings Held and Specific Expenditures Approved  
During the Period September 1, 2000 through March 31, 2003**

<b>Date of Meeting</b>	<b>Meeting Type</b>	<b>Quorum</b>	<b>Specific Expenditures Approved</b>	<b>Amount</b>	<b>Minutes</b>
10/26/00	Special	No	None	\$ 0.00	Yes
11/09/00	Special	Yes	None	0.00	Yes
11/21/00	Special	No	None	0.00	Yes
12/28/00	Public	Yes	4 <sup>th</sup> Qtr. Financial Report approved.	0.00	Yes
01/09/01	Unknown <sup>18</sup>	Unknown	No minutes	0.00	No
01/17/01	Working Session	Yes	None	0.00	Yes
02/13/01	Public	Yes	Theft insurance	71.00	Yes
03/01/01	Working Session	Yes	None	0.00	Yes
03/20/01	Public	Yes	Moving expense & supplies	426.00	Yes
			ANC Security Fund	71.00	
04/24/01	Public	Yes	Monthly refreshments at ANC 8D's meetings	100.00	Yes
			Weekly transportation expense for Loretta Wilkins, office volunteer.	50.00	

<sup>18</sup>ANC 8D minutes maintained for February 13, 2001 referenced the January 9, 2001 meeting however, there are no minutes in the ANC file for a January 9, 2001 meeting.

			Relocate ANC 8D's office; purchase supplies for each Commissioner; add phone lines, fax lines, mailboxes for each commissioner.	0.00	
05/08/01	Public	Yes	Approved 04/24/01 minutes; 2001 budget; 2 <sup>nd</sup> Qtr. 2001 financial report	0.00	Yes
06/26/01	Public	Yes	Approved 05/08/01 minutes	0.00	Yes
07/14/01	Public	Yes	Approved 06/26/01 minutes	0.00	Yes
08/25/01	Public <sup>19</sup>	No	None	0.00	Yes
11/17/01	Public	Yes	Approved 08/25/01 minutes	0.00	Yes
02/09/02	Public	Yes	Approved minutes for 11/17/01, 7/14/01.	0.00	Yes
02/23/02	Public	Yes	Approved 02/09/02 minutes, expenditures & 4 <sup>th</sup> qtr. 2001 financial report, and 1 <sup>st</sup> qtr. 2002.	0.00	Yes
03/30/02	Public	Yes	None	0.00	Yes
04/25/02	Public	Yes	Approved 03/30/02 minutes	0.00	Yes
06/17/02	Public	Unknown*	No minutes	0.00	No
07/30/02	Public	Yes	None	0.00	Yes
08/22/02	Public	Unknown*	No minutes	0.00	No
09/28/02	Public	Yes	Approved 04/25/02 & 07/30/02 minutes	0.00	Yes
10/10/02	Working Session	Yes	None	0.00	Yes

<sup>19</sup> ANC 8D public meeting held on August 25, 2001 lacked a quorum.

10/26/02	Public	Yes	Telephone bills	1,600.00	Yes
			Office supplies	624.00	
			Public storage (two months payments)	249.00	
			Newsletter	594.00	
			Postage & delivery	175.00	
			Stamps on postage machine	99.00	
			\$84.60 Reimbursement to Commissioner Johnson.	84.60	
			Approved 09/28/02 minutes Bank balance @ 09/30/02 \$1,285.96; book closed due to dispute within the commission.	0.00	
11/16/02	Public	Yes	None	0.00	Yes
12/14/02	Public	Unknown*	No minutes	0.00	No
01/23/03	Public	Yes	None	0.00	Yes
02/06/03	Special	Yes	None	0.00	Yes
03/27/03	Public	Yes	Approved 01/23/03 minutes	0.00	Yes
<b>Total</b>				<b>\$4,143.60</b>	

Source: ANC 8D's Minutes submitted with quarterly financial reports

\*ANC 8D made a notation in their record that due to the Secretary's absence at these public meetings no notes were available.