



**OFFICE OF THE DISTRICT OF COLUMBIA AUDITOR**

717 14TH STREET N.W., SUITE 900

WASHINGTON, D.C. 20005

TEL. 202-727-3600 • FAX: 202-724-8814

Deborah K. Nichols  
District of Columbia Auditor

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**Letter Report: Audit of Advisory Neighborhood  
Commission 6A for Fiscal Year 2008  
Through 2010, As of March 31, 2010**

**September 29, 2010**



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Commissioner Kelvin Robinson  
Chairperson  
Advisory Neighborhood Commission 6A  
1606 A Street, NE  
Washington, D.C. 20002

**Letter Report:** Audit of Advisory Neighborhood Commission 6A for Fiscal Years  
2008 Through 2010, as of March 31, 2010

Dear Commissioner Robinson:

Pursuant to Section 16 (d) of the Advisory Neighborhood Commissions Act of 1975 (ANC Act),<sup>1</sup> as amended, the District of Columbia Auditor (Auditor) conducted an audit of the financial accounts and operations of Advisory Neighborhood Commission (ANC or Commission) 6A.

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

The objectives of the audit were to determine whether:

1. ANC 6A's disbursements complied with the ANC Act, ANC Financial Management Guidelines<sup>2</sup> issued by the Office of the District of Columbia Auditor, and legal opinions issued by the Office of the Attorney General (OAG); 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>See Section 16 (d) of the Advisory Neighborhood Commissions Act of 1975, effective October 10, 1975, D.C. Law 1-21, D.C. Official Code § 1-309.13 (d) (2006 Supp.), as amended by the Comprehensive Advisory Neighborhood Commissions Reform Amendment Act of 2000, effective June 27, 2000, D.C. Law 13-135.

<sup>2</sup>Office of the District of Columbia Auditor, Advisory Neighborhood Commission Financial Management Guidelines (ANC Financial Management Guidelines), February 2003.

The audit covered fiscal years 2008 through 2010, as of March 31, 2010 (October 1, 2007 through March 31, 2010). In conducting the audit, the Auditor reviewed all available canceled checks, bank statements, bank signature cards, quarterly financial reports, meeting minutes, receipts and invoices, grant applications, and other relevant documents.

The audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

**STATEMENT OF ANC 6A’S CHECKING, SAVINGS, AND PETTY CASH ACCOUNT BALANCES, AS OF MARCH 31, 2010**

Table I presents a statement of ANC 6A’s checking, savings, and petty cash account balances as of March 31, 2010.

**Table I  
ANC 6A’s Checking, Savings, and Petty Cash Account Balances  
As of March 31, 2010**

Petty Cash Account	\$ 0.00*
Checking Account	\$ 17,594.68
Savings Account	<u>\$ 4,200.71</u>
<b>Actual Cash Balance</b>	<b>\$ 21,795.39</b>

\* ANC 6A did not maintain a petty cash fund during the audit period.  
Source: ANC 6A’s quarterly reports and bank statements for the period October 1, 2007 through March 31, 2010.

**SUMMARY OF ANC 6A’S DISBURSEMENTS DURING FISCAL YEARS 2008 THROUGH 2010, AS OF MARCH 31, 2010**

During the audit period, ANC 6A disbursed a total of \$61,353.90. Table II summarizes, by category, ANC 6A’s disbursements made during the audit period, including bank service charges.

**Table II**  
**Summary of ANC 6A's Disbursements**  
**During Fiscal Years 2008 Through 2010,**  
**as of March 31, 2010**

<b>Disbursement Category</b>	<b>Fiscal Year 2008</b>	<b>Fiscal Year 2009</b>	<b>Fiscal Year 2010 as of March 31, 2010</b>	<b>Grand Total</b>
Net Salaries & Wages	0.00	0.00	0.00	0.00
Workers Compensation	0.00	0.00	0.00	0.00
Federal Wage Taxes Paid	0.00	0.00	0.00	0.00
Local Income Taxes Paid	0.00	0.00	0.00	0.00
Tax Penalties Paid	0.00	0.00	0.00	0.00
Local Transportation	0.00	12.00	0.00	12.00
Office Rent	0.00	0.00	0.00	0.00
Telephone Service	0.00	0.00	0.00	0.00
Postage and Delivery	236.00	240.00	250.00	726.00
Utilities	0.00	0.00	0.00	0.00
Printing & Duplicating	1,829.89	2,455.19	830.98	5,116.06
Flyer Distribution	0.00	712.39	0.00	712.39
Purchase of Service <sup>3</sup>	10,157.92	10,219.00	7,668.50	28,045.42
Office Supplies & Expenses	0.00	0.00	0.00	0.00
Office Equipment - Rental	0.00	0.00	0.00	0.00
Office Equipment - Purchase	0.00	0.00	0.00	0.00
Grants	13,239.24	5,604.96	7,727.52	26,571.72
Petty Cash Reimbursement	25.00	10.31	0.00	35.31
Transfer to Savings Account	25.00	0.00	0.00	25.00
Bank Service Charges	30.00	0.00	30.00	60.00
Other	0.00	25.00	25.00	50.00
<b>Total Disbursements</b>	<b>\$ 25,543.05</b>	<b>\$ 19,278.85</b>	<b>\$ 16,532.00</b>	<b>\$ 61,353.90</b>

Source: ANC 6A's quarterly financial reports, check book, canceled checks, and bank statements.

<sup>3</sup> This category contains disbursements for advertising (\$19,360.30); recording/transcription of meeting minutes (\$3,365.00); preparation of meeting agenda packets (\$2,200.00); purchase of ANC Business Cards (\$257.12); sign language interpreter services (\$1,000.00); ANC Security Fund Fee (\$25.00); ABC Board merchant stickers (\$318.00); ANC Commissioner parking fees (\$20.00) and the cost of a traffic impact study (\$1,500).

## **FINDINGS**

### **ANC 6A FULLY COMPLIED WITH D.C. CODE, SECTION 1-309.13 (j) (1) BY MAINTAINING ADEQUATE DOCUMENTATION TO SUPPORT DISBURSEMENTS**

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

Each quarterly [financial] 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, and the minutes of all meetings indicating the Commission's approval of disbursements during the time period covered by the quarterly report, and certification of the Commission's approval of the quarterly report signed by the Commission's Secretary.

The Auditor found that ANC 6A's Treasurer maintained adequate documentation to support \$61,353.90, or 100%, of disbursements made during the audit period. The Auditor's examination of relevant documentation indicated that ANC 6A officers established adequate procedures to ensure that appropriate required financial documentation was obtained and maintained in the ANC's files to support disbursements.

### **ANC 6A GRANT DISBURSEMENTS FULLY COMPLIED WITH THE ANC ACT**

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

A grant may not be awarded unless the grant is awarded pursuant to a vote of the Commission at a public meeting . . . . A Commission may approve grants only to organizations that are public in nature . . . . An applicant for a grant must submit an application in writing to the Commission . . . . Within 60 days following the issuance of a grant, the grant recipient shall forward to the Commission a statement as to the use of the funds . . . complete with receipts which support the expenditures.

As presented in Table III, ANC 6A awarded 17 grants totaling \$26,571.59 during the audit period. All grants were supported by both the statement of use and receipts as required by D.C. Code, Section 1-309.13 (m).

**Table III**  
**Advisory Neighborhood Commission 6A**  
**Grants Issued During Fiscal Years 2008 through 2010,**  
**As of March 31, 2010**

Grant Application	Grantee and Grant Purpose	Amount	Grant Approved	Statement of Use and Receipts Submitted
Yes	Capital Hill Community Foundation School Libraries Project: To purchase technology upgrade for Maury Elementary School Library .	\$1,000.00	07/12/07	Yes/Yes
Yes	Capital Hill Community Foundation School Libraries Project: To purchase "start up" materials for new Ludlow Taylor Elementary School Library.	1,000.00	07/12/07	Yes/Yes
Yes	Eastern Senior High School Parent Teacher Student Association: To purchase uniforms for Eastern Sr. High School marching band's dance team, flag and color guard squad.	3,454.00 <sup>4</sup>	12/13/07	Yes/Yes
Yes	Tree for Capital, Incorporated: To purchase 30 treegators (watering bags) for use on street trees.	\$584.49	12/13/07	Yes/Yes
Yes	Spingarn Senior High School Parent Teacher Student Association: To purchase 20 Pep Squad uniforms and uniform bags.	\$884.00	12/13/07	Yes/Yes
Yes	Maury Elementary School Parent Teacher Student Association: To purchase periodicals and novels that will spark interest in reading and foster a love of learning and discovery .	\$429.12 <sup>5</sup>	11/08/07	Yes/Yes

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<sup>4</sup> The grant funds were disbursed to the following vendors: Catalog Marketplace Incorporated (\$338.50); On-Line Dance Wear (\$703.85); Liberts (\$599.90); Band Shoppe (\$274.99) and Weissman Designs for Dance (\$1,536.76).

<sup>5</sup> The grant funds were disbursed to the following vendors: National Geographic for Kids (\$15.86); Kids Discover (\$19.95); National Wildlife Federation (\$19.95); Nick Magazine (\$22.90); Follett Library Resources (\$273.95); National Geographic Society (\$15.00); Scholastic Magazines (\$44.59) and Sports Illustrated for Kids (\$16.92).

Yes	Friends of the Northeast Library (FONEL): To purchase supplies for the children's room at the library, crayons, washable markers, CD/cassette player.	\$225.00	12/13/07	Yes/Yes
Yes	Rosedale Youth Institute (RYI) and the Rosedale Citizen Alliance (RCA): To purchase two sets of uniforms for the Rosedale Tigers Football Program.	\$4,065.00 <sup>6</sup>	02/14/08	Yes/Yes
Yes	Kid Power DC: To purchase educational books, art supplies, science and technology equipment, math books, and baking equipment for summer camp.	\$997.63	06/12/08	Yes/Yes
Yes	Capital Hill Garden Club: To purchase 1,800 daffodils and 2,000 crocus bulbs to be planted in various ANC 6A public spaces.	\$600.00	09/11/08	Yes/Yes
Yes	Stanton Park Neighborhood Association: To pay for a survey of the buildings fronting on H St., NE in the squares that are within the jurisdiction of ANC 6A.	\$4,000.00	02/12/09	Yes/Yes
Yes	Maury Elementary School Parent Teacher Student Association: To purchase outdoor play equipment for Maury Elementary School.	\$550.00	12/11/08	Yes/Yes
Yes	Kingsman Basketball League (KBL) / North Lincoln Park Neighborhood Association (NLPNA): To purchase sports equipment, 2 basketballs and 15 mesh vests with players numbers on them.	\$104.96	07/09/09	Yes/Yes
Yes	Capital Hill Garden Club: To purchase 1,800 daffodils and 2,000 crocus bulbs to be planted in various ANC 6A public spaces.	\$650.00	04/09/09	Yes/Yes
Yes	Joy of Motion Dance Center: To purchase a Djembe drum for future performances and shows.	\$300.00	04/09/09	Yes/Yes

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<sup>6</sup> Two checks were issued to Game Team Sports (\$1,197.00) and (\$2,868.00).

Yes	Maury Elementary School Parent Teacher Student Association: To purchase a sound system for Maury's multi-purpose room.	\$3,491.00 <sup>7</sup>	11/12/09	Yes/Yes
Yes	Eastern Senior High School Parent Teacher Student Association: To purchase uniforms for the marching band's dance and flag teams.	\$4,236.52 <sup>8</sup>	01/14/10	Yes/Yes
	<b>Total</b>	<b>\$26,571.72</b>		

Source: ANC 6A quarterly financial reports, checkbook, canceled checks, and bank statements.

**ANC 6A HELD THE REQUIRED NUMBER OF PUBLIC MEETINGS DURING THE AUDIT PERIOD**

D.C. Code, Section 1-309.11 (b) (1) states, in relevant part, that each Commission shall meet in a public session at regular intervals at least 9 times per year. The Auditor's review of ANC 6A's quarterly financial reports and other relevant documentation revealed that ANC 6A held a total of 28 public meetings during the 30-month audit period. Therefore, ANC 6A fully complied with the public meeting requirement under D.C. Code, Section 1-309.11 (b) (1).

**ANC 6A MAINTAINED MINUTES FOR ALL 28 PUBLIC MEETINGS HELD DURING THE AUDIT PERIOD**

ANC 6A maintained minutes for all 28 public meetings held during the audit period. A review of ANC 6A's minutes indicated that the Commission took official action only at public meetings where a quorum was present and recorded the votes on all expenditures and reimbursements brought before the Commission for approval. The minutes documented the presentation and approval of expenditures, grant requests, treasurer's reports, and quarterly financial reports.

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<sup>7</sup>The grant funds were also used to pay for installation of the sound system.

<sup>8</sup> The grant funds were disbursed to the following vendors: Weissan Designs for Dance (\$1,983.14) and Art Stone Theatrical (\$2,253.38).

**ANC 6A ESTABLISHED ANNUAL FISCAL YEAR SPENDING PLAN BUDGETS DURING THE AUDIT PERIOD**

D.C. Code, Section 1-309.10 (n) states that:

Each Commission shall develop an annual fiscal year spending plan budget for the upcoming fiscal year within 60 days of notification of the amount of the Commission's annual allotment. Prior to adoption of the budget at a public meeting, the Commission shall present the budget at a public meeting of the Commission to elicit comments from the residents of the Commission area.

The Auditor's review of ANC 6A's records found that annual fiscal year spending plan budgets were developed and approved during the audit period. Therefore, ANC 6A fully complied with D.C. Code Section 1-309.10 (n).

**ANC 6A PARTICIPATED IN THE ANC SECURITY FUND**

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

The treasurer and Chairperson shall file with the Auditor and maintain in force during their occupancy of their respective offices, a cash or surety bond in an amount and on a form satisfactory to the Auditor. Participation by a Commission in the Advisory Neighborhood Commission Security Fund . . . shall satisfy the requirement of a cash or surety bond. . . . No expenditure shall be made by a Commission . . . at any time when a current and accurate statement and a bond or its equivalent are not on file with the Auditor.

ANC 6A participated in the ANC Security Fund in calendar years 2008, 2009, and 2010. Therefore, ANC 6A fully complied with D.C. Code Section 1-309.13 (c).

**INTERNAL CONTROLS WERE ADEQUATE TO PRODUCE RELIABLE FINANCIAL INFORMATION AND ENSURE THAT ASSETS WERE PROPERLY SAFEGUARDED**

The Auditor found that ANC 6A's internal controls were adequate as evidenced by, but not limited to, the following:

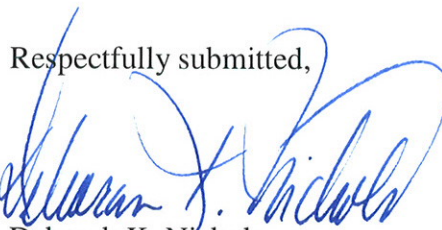
- ▶ Annual spending plan budgets were presented and properly approved at public meetings;
- ▶ All expenditures were first approved by a majority of Commissioners in a public meeting at which a quorum was present and recorded in the minutes;
- ▶ All disbursements were supported by adequate documentation; and
- ▶ ANC 6A participated in the ANC Security Fund.

**CONCLUSION**

The Auditor's examination of ANC 6A's financial accounts, books, and records revealed that ANC 6A fully complied with all relevant provisions of the Advisory Neighborhood Commissions Act of 1975, as amended, Financial Management Guidelines issued by the Office of the District of Columbia Auditor, and legal opinions issued by the Office of the Attorney General.

During fiscal years 2008 through 2010, as of March 31, 2010, ANC 6A maintained the required documentation to justify and support 100% of expenditures. Additionally, ANC 6A complied fully with the public meeting requirement of the ANC Act and minutes of meetings were prepared and maintained in the ANC's files.

Overall, the Auditor found that ANC 6A maintained an organized record keeping system and adequate internal controls were in place to produce reliable financial information and ensure that its assets were properly safeguarded.

Respectfully submitted,  
  
Deborah K. Nichols  
District of Columbia Auditor