



OFFICE OF THE DISTRICT OF COLUMBIA AUDITOR

717 14TH STREET N.W., SUITE 900

WASHINGTON, D.C. 20005

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Deborah K. Nichols
District of Columbia Auditor
015:07:LB:KM:gk

**Letter Report: Review of Advisory Neighborhood
Commission 2C Grant Awards for the Period
March 2005 through December 2006**

July 11, 2007



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Commissioner Doris Brooks
Chairperson
Advisory Neighborhood Commission 2C
612 Emmanuel Court, NW #504
Washington, D.C. 20001

Letter Report: Review of Advisory Neighborhood Commission 2C Grant Awards for the Period March 2005 through December 2006

Dear Chairperson Brooks:

Pursuant to Section 16 (d) of the Advisory Neighborhood Commissions Act of 1975 (ANC Act),¹ as amended, the District of Columbia Auditor (Auditor) conducted an audit of grants awarded by Advisory Neighborhood Commission 2C (ANC or Commission) during the period March 2005 through December 2006..

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of the audit were to determine whether:

1. grant awards and disbursements by ANC 2C complied with the ANC Act, ANC Financial Management Guidelines issued by the Office of the District of Columbia Auditor,² and legal opinions issued by the Office of the Attorney General (OAG); and
2. computers purchased by East Central Civic Association with grant funds awarded by ANC 2C served a public purpose.

¹ See Section 16 (d) (1) of the Advisory Neighborhood Commissions Act of 1975, effective October 10, 1975, (D.C. Law 1-21, D.C. Code § 1-309.13 (d) (1) (2004 Supp.)) as amended by the Comprehensive Advisory Neighborhood Commissions Reform Amendment Act of 2000, effective June 27, 2000, D.C. Law 13-135 (collectively the "Anc Act").

² Office of the District of Columbia Auditor, "Advisory Neighborhood Commission Financial Management Guidelines" (ANC Guidelines), January 2003.

The audit covered the period March 1, 2005 through December 31, 2006. In conducting the audit, the Auditor reviewed copies of all available grant applications, cancelled checks, bank statements, receipts, statements of use, quarterly financial reports, meeting minutes, and other documents relevant to this matter, including information provided directly to the Auditor by grant recipients.

BACKGROUND

On December 20, 2006, the Auditor received a request to review the policies, procedures, and financial activities of ANC 2C regarding the award of grant funds. Specifically, the Auditor was asked to review grants awarded to the East Central Civic Association (ECCA) to determine the current use and location of computers and other equipment purchased with the grant funds.³ The ECCA, a member of the D.C. Federation of Civic Associations, has been active in the Shaw community since 1947.⁴ The ECCA, which has no office and holds monthly meetings at local churches, is composed primarily of volunteers with a current membership of 20 to 30 members.⁵ ECCA members participate in neighborhood clean-ups, the Shaw Fest, block parties, and youth outreach programs.

³ECCA is a neighborhood association located in the District which includes the area from N Street up to Rhode Island Avenue and from New Jersey Avenue to 7th Street, NW

⁴ See: http://www.dcfca.org/member_associations.html

⁵ECCA collects \$10 dollars in annual dues from each of its members.

FINDINGS

ANC 2C SUBSTANTIALLY COMPLIED WITH D.C. CODE §1-309.13 (j) (1) BY MAINTAINING DOCUMENTATION TO SUPPORT GRANT 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. . . .

The Auditor's examination of relevant grant documentation indicated that ANC 2C officers established adequate policies and procedures to ensure that appropriate documentation supporting the request, approval, issuance, and use of grant funds was obtained and maintained in the ANC's files. Fifteen (15) grants, totaling \$25,969.29 were issued during the audit period.⁶ Table I presents a list of the 15 grants, including check number, check date, payee, purpose, and public benefit stated in the grant application.

Table I
Advisory Neighborhood Commission 2C
Grants Issued During the Period April 1, 2005 through December 31, 2006

Check Number	Check Date	Payee	Amount	Purpose and Public Benefit as stated on Grant Application
1343	05/04/05	ECCA (East Central Civic Association)	\$3,000.00	Purchase iron tree boxes to enhance quality of life in ANC 2C-07 SMD.
1344	05/04/05	Rhode Island Ave Thru P Street Neighborhood Association	\$3,000.00	Purchase iron tree boxes. ANC 2C-01 Beautification Program
1345	05/04/05	COPE (Citizens Organized Patrol Efforts)	\$3,000.00	To purchase iron tree boxes.

⁶ Check number 1360 for \$400 was negotiated, however, the funds were not used but returned to the Commission.

Check Number	Check Date	Payee	Amount	Purpose and Public Benefit as stated on Grant Application
1346	05/10/05	OFT/ON	\$3,000.00	Training for low income Shaw residents. Shaw residents will be trained in New Paper Management System.
1349	08/08/05	Friends of Carter Barron of the Performing Arts	\$2,000.00	Expand art education that serves gifted and talented District of Columbia youth. Allow 250 ANC-2C residents to acquire cultural experience and education.
1350	09/12/05	Rhode Island Ave Thru P Street Neighborhood Association	\$3,000.00	Purchase iron tree boxes. ANC 2C-01 SMD Beautification Program.
1351	09/12/05	ECCA (East Central Civic Association)	\$3,000.00	Purchase iron tree boxes to enhance quality of life in ANC 2C-07 SMD.
1352	09/12/05	COPE (Citizens Organized Patrol Efforts)	\$137.48	Handheld Power-horn. Fight crime within ANC boundaries.
1353	12/07/05	Bread for the City	\$1,000.00	Printing of newsletters for outreach efforts. Inform vulnerable populations of services available to help them meet their needs.
1354	12/07/05	COPE (Citizens Organized Patrol Efforts)	\$1,167.53	To purchase high tech equipment to fight crime within ANC 2C boundaries.
1357	03/08/06	2 nd NW Cooperative Home Tenant Association	\$700.00	Assist with purchase of [surveillance] cameras to assist in cleaning up drugs.
1358	03/06/06	COPE (Citizens Organized Patrol Efforts)	\$650.28	To purchase a camera in order to take photographs of drug dealers and crime in the 2C boundaries. The camera will also be around for 3D police officers.
1359	03/06/06	ECCA (East Central Civic Association)	\$700.00	Beautification Project: Cherry Tree proposal. Tree must be cared for by a group.
1360	03/08/06	Asbury Dwellings Tenant Association	\$400.00	To keep tenants aware. Grantee negotiated the check, however, the funds were not used, but returned to ANC 2C.

Check Number	Check Date	Payee	Amount	Purpose and Public Benefit as stated on Grant Application
1361	05/03/06	COPE (Citizens Organized Patrol Efforts)	\$214.00	Purchase internal disc drive, external floppy drive for COPE desktop computers and routers for laptops. Computer data will enhance the ability to use and store data for ANC 2C residents regarding crime and drugs.
1363	12/06/06	ECCA (East Central Civic Association)	\$3,000.00	Purchase 2 laptop computers and digital camcorder. Laptops will be used at ECCA meeting and to train ECCA officers to service ANC 2C citizens. Camcorder will document crime and safety issues affecting ANC 2C residents

I. Grant Applications

D.C. Code Section 1-309.13 (m) (2) states:

“An applicant for a grant must submit an application in writing to the Commission. The application shall contain:

- (A) A description of the proposed project for which the grant is requested;
- (B) A statement of the expected public benefits; and
- (C) The total cost of the proposed project, including other sources of funding, if any.

The Auditor found that each of the grantees submitted a request for a grant on the form provided by ANC 2C. ANC 2C’s grant application package includes ANC 2C’s grant policy, relevant sections of the ANC law, and grant guidelines issued by the Auditor’s Office.

II. Approval of Grants

D.C. Code, Section 1-309.13 (m) (1) states, in relevant part, that: “A grant may not be awarded unless the grant is awarded pursuant to a vote of the Commission at a public meeting following the presentation of the grant request.” Further, the Office of Attorney General has determined that Commissioners presenting a grant request to the ANC on behalf of an organization

in which they hold an office or have an interest must recuse themselves from voting or debating on the matter in order to avoid any possible appearance of a conflict of interest.⁷

In reviewing ANC 2C's monthly meeting minutes, the Auditor found that all grant requests were presented to the ANC and approved by a majority of Commissioners at public meetings. The Auditor further found that, according to the minutes, any Commissioner holding an office or having an interest in an organization requesting a grant abstained from debating or voting on the approval of the grant they were requesting.

Table II presents meeting dates, voting record, and approval of grants awarded during the audit period.

Table II
ANC 2C Grants Approved at Public Meetings and Record of Vote
April 1, 2005 through December 31, 2006

Grant Applicant	Meeting Date	Record of Votes to Approve Grant ⁸		
		Yes	No	Abstained
ECCA (East Central Civic Association)	05/04/05	3	1	
Rhode Island Ave Thru P Street Neighborhood Association	05/04/05	3	1	
COPE (Citizens Organized Patrol Efforts)	05/04/05	3	1	
OFTON (The Organization for Training Others in Need)	05/04/05	3	1	
Rhode Island Ave Thru P Street Neighborhood Association	09/07/05	2	1	Commissioner Thorpe
ECCA (East Central Civic Association)	09/07/05	2	1	Commissioner Thorpe
COPE (Citizens Organized Patrol Efforts)	09/07/05	2	1	Commissioner Thorpe
Bread for the City	12/07/05	4		

⁷ See Office of the Corporation Counsel (now Office of the Attorney General) letter dated May 27, 1998, from Wayne Witoski, Deputy Corporation Counsel to Jeff Norman, ANC 3G Commissioner.

⁸ ANC 2C is comprised of 4 Single Member Districts (SMD).

COPE (Citizens Organized Patrol Efforts)	12/07/05	2	1	Commissioner Thorpe
2 nd NW Cooperative Home Tenant Association	03/08/06	3	1	
COPE (Citizens Organized Patrol Efforts)	03/08/06	2	1	Commissioner Thorpe
ECCA (East Central Civic Association)	03/08/06	2		Commissioners Padro & Thorpe
Asbury Dwellings Tenant Association	03/08/06	3		Commissioner Padro
COPE (Citizens Organized Patrol Efforts)	05/03/06	2	1	Commissioner Thorpe
ECCA (East Central Civic Association)	12/06/06	2	1	Commissioner Thorpe
2 nd NW Cooperative Home Tenant Association ⁹	12/06/06	3		Commissioner Padro

Source: ANC 2C Quarterly Financial Reports

III. Post-Award Documentation from Grant Recipients

D.C. Code, Section 1-309.13 (m) (3) states that: “Within 60 days following the issuance of a grant, the grant recipient shall forward to the Commission a statement as to the use of funds consistent with the grant application, complete with receipts which support the expenditures.”

With the exception of grants awarded to Friends of Carter Barron of the Performing Arts (\$2,000) and OFTON (\$3,000), the statements of use submitted by grantees were consistent with the grant application and receipts supported the expenditures.

Documentation Submitted by Friends of Carter Barron of the Performing Arts Did Not Adequately Support the Grant

The Auditor found that the receipt submitted to ANC 2C by Friends of Carter Barron of the Performing Arts was not a proper vendor invoice. Instead, the grantee provided a written statement acknowledging that the grantee had received \$2,000 to issue “100 tickets to Ward 2 families for a cultural enrichment and educational program visit.” On June 20, 2006, ANC 2C’s Chairperson requested the grantee to provide: (1) the name of the vendor who sold the tickets to the grantee; (2) the names of the 2C residents who received the tickets; and (3) the dates and times of the concert or cultural enrichment and educational events. The grantee failed to submit this information. As a consequence, the Auditor recommended that the Office of the Chief Financial Officer deduct \$2,000

⁹ This grant was approved, but not disbursed, in December 2006.

from ANC 2C's future allotments.¹⁰ The Auditor will also refer the matter to the Office of the Attorney General in an effort to recover the funds from the grantee.

The Organization for Training Others in Need (OFTON) Expended Grant Funds for Purposes That Violated the ANC Law, Relevant Office of the Attorney General (OAG) Opinions, and Principles of Federal Appropriations Law

The Auditor found that the purpose of the grant as indicated on OFTON's grant application was "to provide seed money to start a Paper Management Training Program and Entrepreneurship Study Tool Kits invented by Shaw SEP business owner." The public benefit of the grant as stated on the application was that "Shaw people will be trained in the new Paper Management System."

Grant Funds Were Expended for Personal Subsistence, Meals and Transportation

D.C. Code, Section 1-309.13 (m) authorizes ANCs to award grants to organizations for public purposes within the Commission's boundaries. However, funds appropriated to Advisory Neighborhood Commissions may not, directly or indirectly, be awarded as grants in order to purchase food, entertainment, or travel. D.C. Code, Section 1-309.13 (l) (2) states that: [F]unds allocated to the Commission may not be used for a purpose that involves, partisan political activity, personal subsistence expenses, Commissioner compensation, meals, legal expenses other than for Commission representation before an agency board, or commission of the District government, or travel outside of the Washington metropolitan area. [Emphasis Added]

Documentation submitted to the Auditor by OFTON to support its \$3,000 ANC grant award included receipts for airfare (\$188.40), lodging (\$615.85), telephone (\$11.78) and food and beverages (\$61.96). These expenditures totaled \$689.59. The Auditor noted that, \$121.92 of the \$689.59 was paid from the grantee's personal funds. Therefore, the balance of \$567.67, which was paid from the ANC 2C grant, will be disallowed because the expenditures are prohibited by D.C. Code, Section 1-309. (l) (2).

¹⁰ The Auditor recommended that \$500 each be withheld from ANC 2C's quarterly allotments for the 2nd, 3rd, and 4th quarters of fiscal year 2006 and the 1st quarter of fiscal year 2007.

Grant Funds Were Expended for Training Provided to OFTON's President Only

In addition, opinions issued by the OAG have also determined that grants cannot be used to support the operation of other organizations in that D.C. Code, Section 1-309.13 (m) (1) states: “. . . a Commission may approve grants only to organizations that are public in nature and benefit persons who reside or work within the Commission area . . .” The Auditor found that the only training indicated on the statement of use submitted by the grantee on February 6, 2007 was training received by OFTON's president at a cost of \$1,995 to attend a conference during September 2005 in Raleigh, North Carolina. The grantee's statement of use did not indicate that any training had been provided to any residents of ANC 2C. Based upon the statement of use, in addition to a January 2007 OFTON newsletter submitted by the grantee, the Auditor determined that the expenditure of ANC grant funds for training the president of OFTON was not consistent with the grant application and also failed to provide a public benefit to the community as required by the ANC Law.

RECOMMENDATIONS

1. ANC 2C request grant applicants to indicate in their applications an estimate of the number of ANC 2C residents that may benefit from the grant award to ensure that the grant award does not solely benefit a grantee's organization and its members.
2. ANC 2C promptly follow-up with grantees on the use of ANC 2C grant awards and request evidence of the public benefit if it is not evident in the grantee's application. If ANC 2C is not convinced that the grant will serve within a reasonable period of time or has served the stated public purpose, it should not award the grant or request return of the grant funds.
3. ANC 2C request that OFTON immediately return the \$3,000 grant and inform the Auditor in writing within 30 days from the date of this report that the funds have been repaid. If OFTON fails to repay the grant funds to ANC 2C, the Auditor will refer this case to the Office of the Inspector General for further investigation and the Office of the Attorney General to recover the funds through appropriate legal procedure.

ANC 2C COMPLIED WITH RECOMMENDATIONS REGARDING GRANTS SET FORTH IN THE AUDITOR'S SEPTEMBER 28, 2005 AUDIT REPORT¹¹

D.C. Code Section 1-309.13 (d) (3) states, in relevant part, that: "In a case in which an Auditor's report details a violation of this part, the affected Commission shall, within 90 days, provide in writing to the Auditor, its response to each of the alleged infractions."

ANC 2C filed a written response to the alleged infractions cited in the Auditor's report on October 7, 2005. The findings and recommendations of the previous audit regarding grants are presented below.

Finding: Five of the 11 grantees did not submit within 60 days a statement of use with receipts to the Commission for grants issued during the audit period as prescribed by D.C. Code, Section 1-309.13 (m) (3).

Auditor's Recommendation: ANC 2C make a final request to grantees to file a statement of how grant funds were used, complete with receipts which support the expenditures. Further, ANC 2C should advise the grantees that failure to provide receipts will result in the denial of future grant requests until they comply. The Auditor will deduct the amount of a grant from ANC 2C's future allotments if it fails to ensure that its grantees comply with D.C. Code §1-309.13 (m) (3).

Table III presents grant information related to the five grants. ANC 2C issued stop payment orders on check numbers 1334 for \$500 (issued to French Street Neighbors Association on 12/3/04) and 1337 for \$250 (issued to Friends of Watha T. Daniel Library on 12/30/04) on April 6, 2005 because the grantees failed to provide receipts within 60 days following the issuance of the grants and the checks had not been deposited.

¹¹ See audit report entitled: Audit of Advisory Neighborhood Commission 2C for Fiscal Years 2003 Through 2005 as of March 31, 2005.

Table III
Statement and Receipts Not Provided By Grant Recipients
For Grants Issued During Fiscal Years 2003 Through 2005, as of March 31, 2005

Check #	Check Date	Amount	Payee	Date of ANC 2C Letter Requesting Receipts from Grantees
1331	10/12/04	\$500.00	Friends of Kennedy Playground	January 29, 2005
1332	10/12/04	\$482.26	Bread for the City	October 12, 2004 January 29, 2005
1334	12/03/04	\$500.00	French Street Neighbors Association	October 25, 2004 December 13, 2004
1336	12/30/04	\$500.00	Shaw Main Street, Inc.	December 30, 2004 January 29, 2005
1337	12/30/04	\$250.00	Friends of Watha T. Daniel Library	December 30, 2004 January 29, 2005
TOTAL		\$2,232.26		

Source: ANC 2C's quarterly financial reports, checkbook, canceled checks, and bank statements.

In its October 7, 2005 response, ANC 2C also provided copies of follow-up letters sent to grantees dated October 5, 2005, requesting receipts from the three remaining grant recipients listed in Table III.¹² The grantees were asked to submit the required financial statement and receipts "to avoid denied grant requests in the future." Only one of the three grant recipients, Bread for the City, provided ANC 2C with a statement of use and receipts to support the grant they received. ANC 2C should deny future grant request to Friends of Kennedy Playground and Shaw-Main Street, Inc. until required receipts supporting the grants listed in Table III are received.

Finding: The Auditor team found that 10 grant applications during fiscal years 2003 through 2005 were filled out by ANC 2C's then Chairperson. This observation was brought to the attention of the Chairperson because his practice of filling out grant applications for prospective grantees was inappropriate and could give the appearance of impropriety. The Chairperson indicated that he did not think his actions were improper because the grantees signed the applications and presented their requests at public meetings of the ANC.

¹² ANC 2C sent follow-up letters to Bread for the City, Shaw Main Streets, and Friends of Kennedy Playground.

Auditor's Recommendation: In the future, to avoid any appearance of impropriety, the Chairperson and any other ANC Commissioner should never complete, in whole or in part, a grant request application for a prospective grantee of the Commission.

The Auditor's review of quarterly reports submitted for the period October 1, 2005 through December 31, 2006 indicated that ANC 2C is in full compliance with the above recommendation.

ECCA USED ANC 2C GRANT AWARDS TO PURCHASE COMPUTER EQUIPMENT THAT WAS USED PRIMARILY TO SUPPORT THE OPERATIONS OF ECCA AND NOT THE RESIDENTS OF ANC 2C AT-LARGE

As previously stated, grants cannot be used to support the operation of other organizations in that D.C. Code, Section 1-309.13 (m) (1) states: “. . . a Commission may approve grants only to organizations that are public in nature and benefit persons who reside or work within the Commission area . . .” Additionally, an opinion issued by the OAG has determined that one frequently enunciated test is: “whether the expenditure confers a direct public benefit of a reasonable character, that is to say, to a significant part of the public, as distinguished from a remote and theoretical benefit [Auditor's Emphasis].”¹³ The OAG has also determined that the relevant criteria for this test is: “whether there is a direct relationship between the use of the requested ANC funds and the provision of tangible benefits of a reasonably general character to all or to a significant part of the persons residing or working in the ANC area. [Auditor's Emphasis].”¹⁴

January 12, 2005 Grant Award to ECCA

A grant for \$3,691 was issued to ECCA on January 12, 2005 to purchase four (4) Dell desk top computers.¹⁵ The purpose of the grant, as stated in the application, was “for ECCA to correspond with neighbors & D.C. Government regarding neighborhood issues.” The current president of ECCA stated in writing to the Auditor that “since the ECCA has no office the computers are in the hands of the ECCA Public Relations Officer, the former ECCA president and current school liaison, the ECCA treasurer, and on loan to a ECCA youth member.”

¹³ See opinion letter from John Payton, Corporation Council, D.C. to The Honorable James E. Nathanson, Chairman Committee on Government Operations, Council of the District of Columbia, dated June 3, 1991.

¹⁴ Ibid

¹⁵ See audit report entitled “Audit of Advisory Neighborhood Commission 2C for Fiscal Years 2003 Through 2005, as of March 31, 2005. The audit report was issued September 28, 2005.

A site visit was conducted by the audit team with the assistance and full cooperation of the current president of the ECCA. The audit team confirmed that the four Dell computers purchased with ANC 2C funds were in the possession of ECCA members at their private homes. One of the computers was located in a classroom-type setting in a residence to allow neighborhood youth to use it for homework assignments.

To further determine the appropriate use of the computers in keeping with the grant and the ANC Law, the Auditor interviewed ECCA's former president and current public relations officer and treasurer. ECCA's public relations officer confirmed that one of the desktop computers purchased with the January 12, 2005 grant funds was in her possession at her home. The officer stated that the computer was used to:

- create flyers for ECCA meetings and events, access local government and housing issues; and
- help neighborhood youth to locate jobs and prepare resumes.

The public relations officer also stated that a future use of the computer will be the publication of an ECCA newsletter. The officer provided the Auditor examples of flyers distributed to the community announcing ECCA public meetings during the period June 6, 2005 through January 8, 2007. An example of these flyers is presented in Attachment I.

December 6, 2006 Grant Award to ECCA

An additional grant for \$3,000 was awarded to ECCA on December 6, 2006 to purchase two laptop computers. The purpose of the grant, as stated in the application, was "to purchase a digital camcorder, two laptop computers and accessories for ECCA to train officers to use computers to service ANC 2C citizens."

A statement of use submitted by ECCA on May 29, 2007 stated that, "the specific and general use of the ECCA grant in the amount of \$3,000 was to purchase two laptop computers with accessories to be used as a public benefit in ANC 2C, for ECCA officers and members to take the laptops to and from ECCA and other community meetings to store data on crime, economic development, and civic affairs affecting residents of ANC 2C by way of printing and distributing flyers and developing a newsletter." An example of a newsletter submitted by ECCA is presented in Attachment II.

The May 29, 2007 statement of use submitted by ECCA further stated that, “ the camcorder is used to document community issues such as crime and public work [sic] issues to produce a documentary of historical events and neighborhood issues such as gentrification which is a big issue in Shaw and the camcorder can produce data to share with the public and government regarding the transformation of Shaw some good and some bad.” The Auditor also interviewed the current ECCA public relations officer who stated that the two laptop computers purchased with the December 6, 2006 grant funds, were also in her possession and were to be used for ECCA’s e-mail and for recording minutes at ECCA meetings. She further stated that residents being served by ECCA are permitted to use any of the organization’s computers, upon request.

Based upon information provided by ECCA’s statement of use, the interview with the ECCA public relations officer, and site visits, the Auditor determined that the grants awarded for computers purchased by ECCA supported the operations of ECCA and did not confer a direct public benefit of a reasonable character to all or a significant part of the persons residing or working in the ANC 2C area. The computers did not provide a public benefit because they are: (1) maintained at private residences of its members, making their public use remote and impractical; (2) used to support ECCA in the publication of its newsletter and printing flyers announcing ECCA meetings; and (3) used for ECCA e-mail. Based upon the statement of use, however, the Auditor determined that the camcorder may meet the public use guidelines, however, this matter will be referred to the OAG for a formal opinion.

RECOMMENDATIONS

1. ANC 2C request grant applicants to indicate in their applications an estimate of the number of ANC 2C persons who reside or work within the Commission area that may benefit from the grant award to ensure that the grant award does not solely benefit the operations of a grantee organization.
2. ANC 2C follow-up with grantees on the use of ANC 2C grant awards and request evidence of the public benefit if the public benefit as stated in the grantee’s application is not evident to Commissioners within a reasonable time following the grant award. If Commissioners are not convinced that the grant is serving the intended public purpose, the ANC should immediately request the return of the grant funds.

3. ANC 2C work with ECCA to place the computer equipment in a location that is accessible to a larger number of persons who reside or work in the ANC 2C area. If this cannot be accomplished, ECCA should immediately repay the grant funds to ANC 2C.
4. ANC 2C's Chairperson advise the Auditor in writing within 90 days from the date of this report whether ECCA placed the computer equipment in a location accessible to the public or repaid the grant funds.
5. If ECCA fails to place the computer equipment in a location accessible to the public and fails to repay the grant funds to ANC 2C, the Auditor will refer this matter to the Office of the Inspector General for further investigation and request assistance from the Office of the Attorney General in recovering the funds.

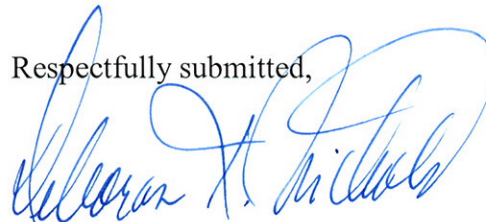
CONCLUSION

As a result of the examination of ANC 2C's books and records, the Auditor determined that ANC 2C complied with relevant provisions of the Advisory Neighborhood Commissions Act of 1975, as amended, the Financial Management Guidelines issued by the Office of the District of Columbia Auditor, and legal opinions issued by the Office of the Attorney General as they specifically relate to grant applications, approval of grants at a public meeting, and documentation to support grant disbursements.

The Auditor found that adequate internal controls were in place regarding the grant application and grant approval process to ensure that the ANC's assets were properly safeguarded. The Auditor found, however, that ANC 2C must strictly adhere to the ANC law and opinions issued by the OAG regarding their overall consideration and award of grants for permissible public purposes and to ensure that grant awards meet the public use guidelines established by D.C. Code, Section 1-309.13 (m) (1).

Pursuant to D.C. Code Section 1-309.13 (d) (3), ANC 2C 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 2C's next scheduled quarterly allotment until a response is filed.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Deborah K. Nichols", is written over the typed name below.

Deborah K. Nichols

District of Columbia Auditor

ATTACHMENTS

ECCA

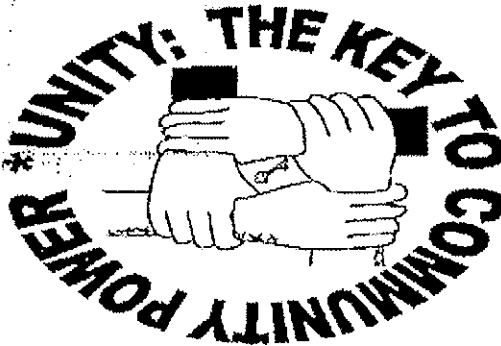
EAST CENTRAL CIVIC
ASSOCIATION
OF SHAW

Betty Newell, President (202) 299-9335

Lillian Gordon, Treasurer

Eloise Wahab, Public Relations

**"We are a highly motivated Civic Association with no
Procrastination."**



CALLING ALL NEIGHBORS!

When: Monday, December 4, 2006

Where: Third Baptist Church

1546 - 5th St., NW - Washington, DC

Time: 7:00 P.M.

Please come and share your community concerns!

There is more information about changes taking place in the area that will impact your life.

ANC Commissioner's Updates Police Response New Projects Public Services Community Update

Clean and Green DC - Adopt-A-Block - Let's discuss it.

Join an Association that's making a difference in our community.

Call (202) 299-9335 for membership.

Scholarship fund - You can help change the life of a young person by making a contribution.

ECCA

EAST
CENTRAL
CIVIC
ASSOCIATION

President – Betty Newell

Telephone: (202) 483-4234

Treasurer – Lillian Gordon
Eloise Wahab – Public Relations

MOTTO: "Motivation and No Procrastination"
December 4, 2006

AGENDA

Good Evening: Welcome to the Civic meeting - The officers of this association are endeavoring to perform their duties in an adroit and exemplary manner.

- Increase Membership
- Jr. Civic Association Membership
- Scholarship Fund
- Update - "Wendy" Office of Council Member Jack Evans
- Update - ANC-2 Commissioner Thorpe
- Ward 2 School Board Representative- Jeff Smith
- Update - Police Department
- Park and Planning -- Tanya Washington
- Scott Montgomery/Ms. Martin - Kipp /Ms. Cunningham
- Office of Planning – Mr. Klephore/Mr. Debelbower
- Treasury Report

Community Word Builders:

Altruistic – dedicated to the good of others

Venerable – worthy of great respect because of dignity or age

Amicable – friendly peaceful

Astute – having good judgment

Candid – truthful, frank, honest in giving opinions

Fragrant – thrifty, economical

tions, Inc.

947

***EAST CENTRAL CIVIC
ASSOCIATION-ECCA***
A HISTORIC SHAW CIVIC ASSOCIATION

OFFICERS

Al Hajj Mahdi Leroy J. Thorpe, Jr., President
Lillian Gordon, Treasurer
Eloise Wahab, Public Relations
Warren Johnson, Sgt. Arms
Betty Newell, DC Public Schools

JANUARY 2007 NEWSLETTER

THORPE ELECTED NEW PRESIDENT OF ECCA

"I WANT TO FIRST THANK MRS. BETTY NEWELL FOR ALL OF THE HARD WORKING YEARS SHE LABORED TO MAKE THE HISTORIC SHAW ECCA THE BEST CIVIC ASSOCIATION IN DC. SHE LABORED HARD WITH THE DC PUBLIC SCHOOLS TO PROVIDE SCHOLARSHIP FUNDS TO LOW/MODERATE INCOME YOUTH'S. SHE WORKED CLOSELEY WITH THE DC GOVERNMENT TO PROVIDE SERVICES IN THE ECCA BOUNDARIES RANGING FROM PUBLIC SAFETY TO ALLEY CLEANING. SHE WAS 'THE BEST PRESIDENT EVER ELECTED TO THE ECCA,'" COMMENTED ECCA NEW PRESIDENT THORPE.

- NEXT ECCA MEETING 1-3-07, 7 PM THIRD BAPTIST CHURCH 5TH & Q STREETS

ECONOMIC DEVELOPMENT

THE ECCA IS INVOLING ITSELF INTO ECONOMIC DEVELOPMENT PROJECTS SLATED FOR 7TH & RHODE ISLAND AVE, THE O STREET MARKET AND 7TH & P STREETS. MANY RESIDENTS ARE ASKING WHAT HAPPEN TO THE ALLOCATION OF PUBLIC FUNDS GIVEN TO THE SHAW MAIN STREETS TO IMPROVE THE BUSINESS DISTRICT AND THE QUARTER MILLION DOLLARS GIVEN TO EMPLOY LOW INCOME RESIDENTS FOR STREET & ALLEY CLEANING.

CRIME

ECCA IS PARTNERSHIPPING WITH ASBURY DWELLINGS, GIBSON PLAZA, 2ND NORTHWEST COOPERATIVES HOMES AND COPE - RED HATS TO COMBAT CRIME. RECENT SHOOTINGS AT 5TH & N AND 7TH & O MOTIVATED THE COMMUNITY TO FORM A PARTNERHSIP. BE ON ALERT FOR VANDALISM IN THE 1500/16/00 BLOCKS OF MARION STREET AND 600 BLOCK OF Q STREET.

2005 ANC GRANT FOR DESKTOP COMPUTERS FOR ECCA
STILL PROVIDING PUBLIC BENEFIT

THE ANC 2005 GRANT TO ECCA BENEFITS THE PUBLIC VIA FLYERS AVAILED TO THE COMMUNITY REGARDING COMMUNITY ISSUES, SOME ARE INTERNET CONNECTED TO SHARE DATA ANC 2C RESIDENTS AND THE DC GOVERNMENT AND A NEWLY FORMED NEWSLETTER THIS YEAR. ANC 2-C YOUTH BELOW BORROWING COMPUTER TO DO HOMEWORK ALSO ECCA TREASURER AT HOME ON COMPUTER FOR THE COMMUNITY. ECCA PUBLIC RELATIONS OFFICER COMPLAINING TO DC GOVERNMENT TO PROVIDE SERVICES FOR ANC 2-C RESIDENTS. ECCA SCHOOL REPRESENTATIVE NOT PHOTOGRAPHED WITH HER ECCA DESKTOP COMPUTER.

