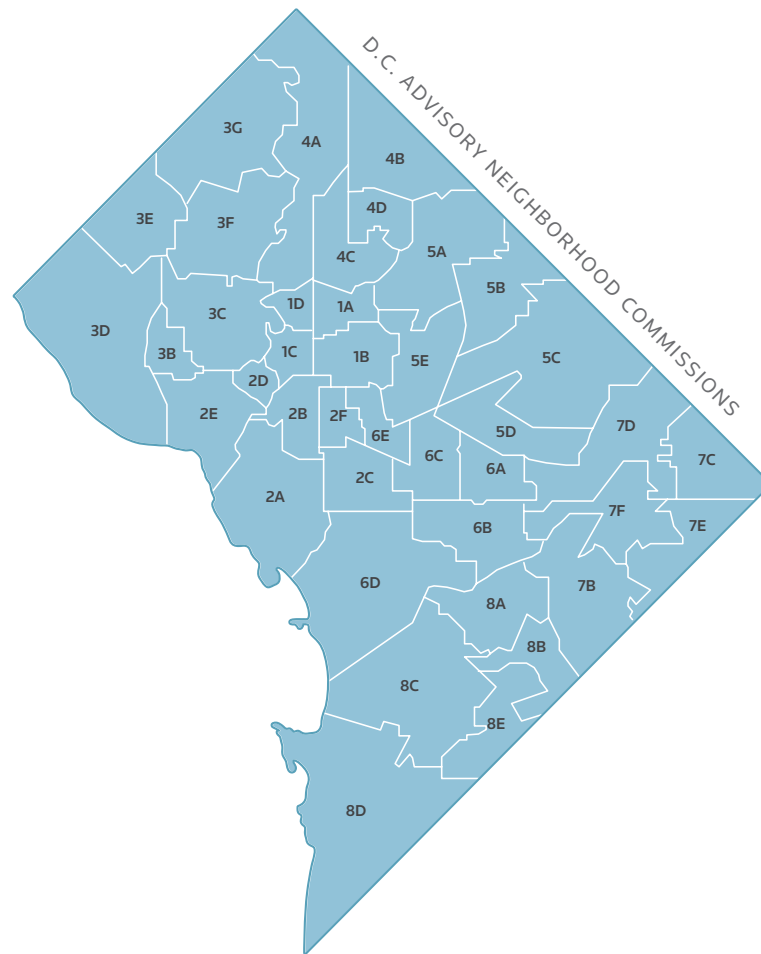


Advisory Neighborhood Commission Security Fund Annual Financial Report for Fiscal Year 2024

December 6, 2024

A report by the Office of the District of Columbia Auditor



Audit Team
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Purpose

As required by law,¹ the Office of the District of Columbia Auditor presents the Advisory Neighborhood Commission (ANC) Security Fund Annual Financial Report for Fiscal Year 2024. This report was drafted, reviewed, and approved in accordance with the standards outlined in ODCA's Audit Policies and Procedures.²

Historical Background of the Fund

The Advisory Neighborhood Commission Security Fund (Fund) was established to insure ANCs against unauthorized expenditures or loss of funds. The Fund does not cover any loss as the result of an expenditure authorized by a vote of a Commission. The Fund is held in the custody of a Board of Trustees (Trustees) composed of the Secretary of the District of Columbia, the General Counsel to the Council of the District of Columbia, and the District of Columbia Auditor (Auditor). The Executive Director of the Office of Advisory Neighborhood Commissions serves as a non-voting Trustee.³

An ANC is eligible to participate in the Fund if the Treasurer and the Chairperson of the ANC agree in writing to be personally liable to the Fund for any sum paid out by the Fund as a result of the Treasurer or Chairperson's wrongful misappropriation or loss of ANC monies. An ANC becomes a participant of the Fund and is eligible to recover losses upon payment to the Fund of an annual contribution in an amount to be determined by the Trustees.⁴

D.C. law requires the assets of the Fund to be held in an interest-bearing account located in the District of Columbia.⁵ In addition, the law requires that the Fund publish an annual report in the District of Columbia Register no later than 90 days after the end of each fiscal year.⁶

ANC 5B lost approximately \$30,000 due to unauthorized expenditures made by their elected Chairman between August 2010 and April 2011. To recover the losses associated with the unauthorized expenditures, ANC 5B, a participant of the ANC Security Fund at the time, requested a reimbursement totaling \$15,467.67 from the ANC Security Fund Board of Trustees because the ANC had that amount in outstanding, unpaid operating expenses. On December 7, 2011, the Board approved the request and authorized the transfer of \$15,467.67 from the Fund to ANC 5B.

Related to this earlier action, on December 19, 2011, a settlement agreement between the District government and the former Chairman of ANC 5B ordered the former Chairman to pay the sum of \$28,878.46 to the D.C. Treasurer. The amount due to the ANC Security Fund has been paid in full during FY 2024. A total of \$15,467.67 has been repaid to the Fund since the settlement agreement was executed including \$49.56 paid in FY 2024.

1 D.C. Code § 1-309.14(f).

2 D.C. Law L25-217, the *Fiscal Year 2025 Budget Support Act of 2024*, abolished the ANC Security Fund effective December 31, 2025.

3 D.C. Code § 1-309.14(a).

4 D.C. Code § 1-309.14(b).

5 D.C. Code § 1-309.14(e).

6 D.C. Code § 1-309.14(f).

Results

**Figure 1: Advisory Neighborhood Commission Security Fund
Commercial Savings Account Fund Activities & Balance for Fiscal Years 2023 & 2024**

Description	FY 2024	FY 2023
Beginning Balance	\$ 77,081.50	\$ 74,590.72
Deposits	1,949.56	2,275.00
Interest	234.36	215.78
Withdrawal/Adjustment	0.00	0.00
Total Fund Balance	\$ 79,265.42	\$ 77,081.50

Source: ODCA, DIFS and bank statements

On October 1, 2023, the beginning balance of the Advisory Neighborhood Commission Security Fund was \$77,081.50. Deposits totaling \$2,183.92 and no withdrawals during FY 2024 resulted in a Fund balance of \$79,265.42, as of September 30, 2024.

The Fund is held by FVCbank which is insured by the Federal Deposit Insurance Corporation for up to \$250,000. To document the Fund's activity, at the end of each quarter and after receiving the monthly bank statement, the Auditor reconciled and recorded all Fund activity and balances into the District Integrated Financial System (DIFS), the District of Columbia financial system.

Additionally, an annual reconciliation/closing report of the Fund's activity and balance was submitted to the Office of the Chief Financial Officer (see Appendix A).

Appendix A

ACO
SEQUENCE NUMBER 1

OFFICE OF THE DC AUDITOR - DC GOVT

FVC Bank Account (██████ 276) Bank ID ██████ 7

Bank Reconciliation

Amount

Bank

Bank Ending Balance as at 9/30/24 \$ 79,265.42

Add: Deposits in Transit

Less: Outstanding Checks

Adjusted Balance (9/30/24) \$ 79,265.42

DIFS

Book Balance as of 9/30/24 \$ 79,265.42

Deposits
Interest

Adjusted Balance (9/30/24) \$ 79,265.42

Prepared by: *La Kisha Kelly* Date: 10/4/2024

Reviewed by: *Jeyakumar Jebaraj* Date: 10/4/2024



DISTRICT OF COLUMBIA GOVERNMENT
 ADVISORY NEIGHBORHOOD
 COMMISSION SECURITY FUND
 OFFICE OF THE DC AUDITOR
 1331 PENNSYLVANIA AVE NW STE 800
 WASHINGTON DC 20004-3402

Page 1 of 1

Account Number: [REDACTED] 276
 Date: 09/30/24
 Images: 0

In these uncertain times, the Bank has temporarily suspended the six withdrawal maximum per statement cycle. Prior to reinstating the six withdrawal limitation, the Bank will provide you 30 days' notice.

STATEMENT SUMMARY

SAVINGS 79,265.42

FIRST BUSINESS SAVINGS	Acct [REDACTED] 276
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Summary of Activity Since Your Last Statement

Beginning Balance	9/01/24	79,245.93
Deposits / Misc Credits	1	19.49
Withdrawals / Misc Debits	0	.00
** Ending Balance	9/30/24	79,265.42 **
Service Charge		.00
Interest Paid		19.49
Interest Paid Year To Date		176.03
Annual Percentage Yield Earned		.30 %
Number of Days for A.P.Y.E.		30
Average Balance for A.P.Y.E.		79,245.93
Average Collected Balance		79,245
Minimum Balance		79,245

Deposits and Other Credits

Date	Amount	Activity Description
9/30	19.49	Interest Earned

Daily Balance Summary

Date	Balance	Date	Balance	Date	Balance
9/30	79,265.42				

About ODCA

The mission of the Office of the District of Columbia Auditor (ODCA) is to support the Council of the District of Columbia by making sound recommendations that improve the effectiveness, efficiency, and accountability of the District government.

To fulfill our mission, we conduct performance audits, non-audit reviews, and revenue certifications. The residents of the District of Columbia are one of our primary customers and we strive to keep the residents of the District of Columbia informed on how their government is operating and how their tax money is being spent.

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