
July 11, 2007
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), 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,\(^1\) 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.

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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. The ECCA, a member of the D.C. Federation of Civic Associations, has been active in the Shaw community since 1947. 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. ECCA members participate in neighborhood clean-ups, the Shaw Fest, block parties, and youth outreach programs.

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3 ECCA 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

5 ECCA 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. 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

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

Check number 1360 for $400 was negotiated, however, the funds were not used but returned to the Commission.
<table>
<thead>
<tr>
<th>Check Number</th>
<th>Check Date</th>
<th>Payee</th>
<th>Amount</th>
<th>Purpose and Public Benefit as stated on Grant Application</th>
</tr>
</thead>
<tbody>
<tr>
<td>1346</td>
<td>05/10/05</td>
<td>OFT/ON</td>
<td>$3,000.00</td>
<td>Training for low income Shaw residents. Shaw residents will be trained in New Paper Management System.</td>
</tr>
<tr>
<td>1349</td>
<td>08/08/05</td>
<td>Friends of Carter Barron of the Performing Arts</td>
<td>$2,000.00</td>
<td>Expand art education that serves gifted and talented District of Columbia youth. Allow 250 ANC-2C residents to acquire cultural experience and education.</td>
</tr>
<tr>
<td>1350</td>
<td>09/12/05</td>
<td>Rhode Island Ave Thru P Street Neighborhood Association</td>
<td>$3,000.00</td>
<td>Purchase iron tree boxes. ANC 2C-01 SMD Beautification Program.</td>
</tr>
<tr>
<td>1351</td>
<td>09/12/05</td>
<td>ECCA (East Central Civic Association)</td>
<td>$3,000.00</td>
<td>Purchase iron tree boxes to enhance quality of life in ANC 2C-07 SMD.</td>
</tr>
<tr>
<td>1352</td>
<td>09/12/05</td>
<td>COPE (Citizens Organized Patrol Efforts)</td>
<td>$137.48</td>
<td>Handheld Power-horn. Fight crime within ANC boundaries.</td>
</tr>
<tr>
<td>1353</td>
<td>12/07/05</td>
<td>Bread for the City</td>
<td>$1,000.00</td>
<td>Printing of newsletters for outreach efforts. Inform vulnerable populations of services available to help them meet their needs.</td>
</tr>
<tr>
<td>1354</td>
<td>12/07/05</td>
<td>COPE (Citizens Organized Patrol Efforts)</td>
<td>$1,167.53</td>
<td>To purchase high tech equipment to fight crime within ANC 2C boundaries.</td>
</tr>
<tr>
<td>1357</td>
<td>03/08/06</td>
<td>2nd NW Cooperative Home Tenant Association</td>
<td>$700.00</td>
<td>Assist with purchase of [surveillance] cameras to assist in cleaning up drugs.</td>
</tr>
<tr>
<td>1358</td>
<td>03/06/06</td>
<td>COPE (Citizens Organized Patrol Efforts)</td>
<td>$650.28</td>
<td>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.</td>
</tr>
<tr>
<td>1359</td>
<td>03/06/06</td>
<td>ECCA (East Central Civic Association)</td>
<td>$700.00</td>
<td>Beautification Project: Cherry Tree proposal. Tree must be cared for by a group.</td>
</tr>
<tr>
<td>1360</td>
<td>03/08/06</td>
<td>Asbury Dwellings Tenant Association</td>
<td>$400.00</td>
<td>To keep tenants aware. Grantee negotiated the check, however, the funds were not used, but returned to ANC 2C.</td>
</tr>
<tr>
<td>Check Number</td>
<td>Check Date</td>
<td>Payee</td>
<td>Amount</td>
<td>Purpose and Public Benefit as stated on Grant Application</td>
</tr>
<tr>
<td>--------------</td>
<td>------------</td>
<td>-------</td>
<td>--------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>1361</td>
<td>05/03/06</td>
<td>COPE (Citizens Organized Patrol Efforts)</td>
<td>$214.00</td>
<td>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.</td>
</tr>
<tr>
<td>1363</td>
<td>12/06/06</td>
<td>ECCA (East Central Civic Association)</td>
<td>$3,000.00</td>
<td>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</td>
</tr>
</tbody>
</table>

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>
<thead>
<tr>
<th>Grant Applicant</th>
<th>Meeting Date</th>
<th>Record of Votes to Approve Grant ⁸</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECCA (East Central Civic Association)</td>
<td>05/04/05</td>
<td>3 1</td>
</tr>
<tr>
<td>Rhode Island Ave Thru P Street Neighborhood Association</td>
<td>05/04/05</td>
<td>3 1</td>
</tr>
<tr>
<td>COPE (Citizens Organized Patrol Efforts)</td>
<td>05/04/05</td>
<td>3 1</td>
</tr>
<tr>
<td>OFTON (The Organization for Training Others in Need)</td>
<td>05/04/05</td>
<td>3 1</td>
</tr>
<tr>
<td>Rhode Island Ave Thru P Street Neighborhood Association</td>
<td>09/07/05</td>
<td>2 1 Commissioner Thorpe</td>
</tr>
<tr>
<td>ECCA (East Central Civic Association)</td>
<td>09/07/05</td>
<td>2 1 Commissioner Thorpe</td>
</tr>
<tr>
<td>COPE (Citizens Organized Patrol Efforts)</td>
<td>09/07/05</td>
<td>2 1 Commissioner Thorpe</td>
</tr>
<tr>
<td>Bread for the City</td>
<td>12/07/05</td>
<td>4</td>
</tr>
</tbody>
</table>


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

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9 This grant was approved, but not disbursed, in December 2006.
from ANC 2C’s future allotments. 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).

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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 REPORT\footnote{See audit report entitled: Audit of Advisory Neighborhood Commission 2C for Fiscal Years 2003 Through 2005 as of March 31, 2005.}

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

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

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].” 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].”

**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 desktop computers. 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.”

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14 Ibid

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,

[Signature]
Deborah K. Nichols
District of Columbia Auditor
ATTACHMENTS
ECCA
EAST CENTRAL CIVIC ASSOCIATION OF SHAW
Betty Newell, President (202) 299-9335
Loise Wahab, Public Relations
Lillian Gordon, Treasurer

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

UNITY: THE KEY TO COMMUNITY POWER

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.
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
Frugal - thrifty, economical
EAST CENTRAL CIVIC ASSOCIATION-ECCA
A HISTORIC SHAW CIVIC ASSOCIATION

OFFICERS
Al Hajj Mahdi Larry J. Thorpe, Jr., President
Lillian Gordon, Treasurer
Eloise Wadud, 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 YOUTHS. SHE WORKED CLOSELY 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 1-8-07, 7 PM THIRD BAPTIST CHURCH 5TH & Q STREETS

ECONOMIC DEVELOPMENT

THE ECCA IS INVOLVING 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 $4 QUARTER MILION DOLLARS GIVEN TO EMPLOY LOW INCOME RESIDENTS FOR STREET & ALLEY CLEANING.
CRIME

ECCA IS PARTNERSHIPING WITH ASBURY DWELLINGS, GIBSON PLAZA, 2ND NORTHWEST COOPERATIVES HOMES AND CAFE - RED HAT$ TO COMBAT CRIME.
RECENT SHOOTINGS AT 5TH & N AND 7TH & Q MOTIVATED THE COMMUNITY TO FORM A PARTNERSHIP. BE ON ALERT FOR VANDALISM IN THE 1500/1600 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 NEWSPAPER THIS YEAR, ANC 2C 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.