



December 14, 2018

RE: Bonding or Security Fund Participation Requirements

Dear ANC Commissioner:

Congratulations on your recent election as an Advisory Neighborhood Commissioner. The team at the Office of the District of Columbia Auditor (ODCA) and I look forward to working with you during your tenure representing your Advisory Neighborhood Commission (ANC).

The Advisory Neighborhood Commissions Act of 1975, as amended requires that Advisory Neighborhood Commissions (ANC) officers file specific information with the Office of the District of Columbia Auditor (ODCA) in order to participate in the ANC Security Fund.

ANC law requires that ANCs elect new officers each year during the month of January. ANC law also requires that each calendar year (1) the newly elected ANC's Chairperson and Treasurer obtain a cash or surety bond or (2) elect to participate in the ANC Security Fund.¹ Although you may not be elected to serve as an officer for your ANC, as an ANC Commissioner, it is your fiduciary duty to ensure that your ANC submits the necessary bonding or ANC Security Fund documentation. This letter outlines the ANC Security Fund participation requirements.

To participate in the Fund, ANCs must pay a participation fee of \$25 and file information required by the Advisory Neighborhood Commissions Act of 1975, as amended,² with ODCA. This information must be completed and returned to ODCA, along with the \$25 participation fee, by **Thursday, January 31, 2019**. Checks written after January 31, 2019, that are not covered by a cash or surety bond or participation in the Fund, will result in the deduction of these expenditures from the ANC's future quarterly allotments.

All forms pertaining to the Fund can be found on ODCA's website at dcauditor.org. Make checks for the \$25 fee payable to the ANC Security Fund. It is important that all forms are accurately

¹ See D.C. Code § 1-309.13

² See D.C. Code § 1-309.14

completed. Examples of completed forms are included as attachments with this letter.

Please note that the ANC Act provides that:

Checks for expenditures must be signed by two officers, one of whom must be the Treasurer or Chairperson who has met the bonding requirements. Since January is a period of transition for ANCs, January is the only time disbursements for ongoing operating expenses that have been approved by the ANC can be written on the ANC's account prior to the ANC obtaining a cash or surety bond or participating in the Fund.

Following the short transition period after an election in which newly elected officers, who have begun their terms, satisfy the bonding requirements for signing checks, the **outgoing officers do not retain any authority to sign checks as they no longer hold office and cannot satisfy the requirements under the ANC Act.**³

Should you have questions regarding this or any other ANC matter, do not hesitate to contact me or Lawrence Perry, Deputy Auditor, at 202-727-3600.

Sincerely,

A handwritten signature in blue ink that reads "Kathleen Patterson". The signature is written in a cursive, flowing style.

Kathleen Patterson
District of Columbia Auditor

cc: Gottlieb Simon, Executive Director
Office of Advisory Neighborhood Commissions

³ See OAG Advice Letter, RE: May an outgoing officer continue to sign checks following the annual election of officers? dated March 15, 2010.