Advisory Neighborhood Commission
for Fiscal Year 2017

December 28, 2017

Report Team:
Hussein Aden, Senior Financial Auditor
Laura Hopman, Assistant Deputy Auditor

A Report by the Office of the District of Columbia Auditor
Kathleen Patterson, District of Columbia Auditor
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 2017. This report was drafted, reviewed, and approved in accordance with the standards outlined in ODCA’s Policy and Procedure Manual.

Historical Background of the Fund

The Advisory Neighborhood Commission Security Fund (Fund) was established to insure ANCs against unauthorized expenditures or loss of funds.\(^2\) 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).

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 at the beginning of the fiscal year in an amount to be determined by the Trustees.\(^3\)

D.C. law requires the assets of the Fund to be held in an interest-bearing account located in the District of Columbia.\(^4\) 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.\(^5\)

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. 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 make a payment sum of $28,878.46 payable to the D.C. Treasurer. At a minimum, according to the agreement, $15,467.67 will be reimbursed to the security fund.

\(^1\) D.C. Code § 1-309.14(f) (2017)
\(^2\) D.C. Code § 1-309.14(a) (2017)
\(^3\) D.C. Code § 1-309.14(b) (2017)
\(^4\) D.C. Code § 1-309.14(e) (2017)
Results

Advisory Neighborhood Commission Security Fund Commercial Savings Account Fund Activities & Balance for Fiscal Year 2017

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance</td>
<td>$65,422.64</td>
<td>$62,967.51</td>
</tr>
<tr>
<td>Deposits</td>
<td>$1,853.32</td>
<td>$2,423.00</td>
</tr>
<tr>
<td>Interest</td>
<td>$69.19</td>
<td>$32.13</td>
</tr>
<tr>
<td>Withdrawal/Adjustment</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Total Fund Balance</td>
<td>$67,345.15</td>
<td>$65,422.64</td>
</tr>
</tbody>
</table>

On October 1, 2016, the beginning balance of the Advisory Neighborhood Commission Security Fund was $65,422.64. Deposits totaling $1,922.51 and no disbursements during FY 2017 resulted in a Fund balance of $67,345.15, as of September 30, 2017.

The Fund is insured by Federal Depository Insurance up to $250,000. To document the Fund’s activity, at the end of each quarter and after receiving the quarterly bank statement, the Auditor reconciles and records all Fund activity and balances into the District of Columbia Financial System. Additionally, a quarterly and annual reconciliation/closing report of the Fund’s activity and balance is submitted to the District of Columbia’s Chief Financial Officer (see Attachment A).

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6 The $1,922.51 includes: $975.00 ANC annual security fund participation fee ($25 per ANC), $69.19 earned interest and $878.32 court mandated settlement payments to the Fund.
Attachment A
MEMORANDUM

TO: Bill Slack  
Deputy Chief Financial Officer  
Office of Financial Operations and Systems

THRU: Mohamed Mohamed  
Associate CFO  
Government Operations Cluster

THRU: Belete Silota  
Cluster Controller  
Government Operations Cluster

FROM: Huda Shelkh-Ali  
Controller  
Office of Finance and Resource Management

DATE: October 12, 2017

SUBJECT: FY 2017 CASH AND INVESTMENT ACCOUNTS REQUIREMENTS 1 THROUGH 3

Huda Shelkh-Ali, Controller, at 727-4697, huda.shelkh-ali@dc.gov is responsible for Topic 3, Cash and Investment Accounts, Requirements 1 through 3 for Agency AC0, Office of the DC Auditor. Enclosed are the reports required for all of the cash and investment accounts controlled by Agency AC0, Office of the DC Auditor. All reports submitted with this Official Certification have been cross-referenced to the Sequence Numbers listed on the Topic 3 - 1 Form for this agency. Reports are submitted for the following fiscal periods as requested by OFOS: Fiscal months 1 through 12. I certify the following statements are true for each of these fiscal periods.

The Topic 3 - 1 Form lists all cash and investment accounts under this agency’s control. A copy of the account reconciliation reports for the periods requested, and the related bank or investment account statements, are included for each account listed on the Topic 3 - 1 Form.

Additional information related to each of these accounts is provided on a Topic 3A and 3B Forms.

CFO$olve report, SOAR Screen 89 and bank statement are used to validate the accuracy of this certification.
### TOPIC 3
AGENCY-CONTROLLED CASH AND INVESTMENT ACCOUNTS

**REQUIREMENT 1: ACCOUNT LISTING**

**REPORTING DATE:** AS OF September 30, 2017

**AGENCY IDENTIFICATION:**

<table>
<thead>
<tr>
<th>SOAR AGENCY CODE</th>
<th>ACO</th>
<th>AGENCY NAME:</th>
<th>OFFICE OF THE DC AUDITOR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**LISTING PREPARED BY**

<table>
<thead>
<tr>
<th>PRINTED NAME</th>
<th>SIGNATURE</th>
<th>DATE</th>
<th>TELEPHONE</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teddy Mekonnen</td>
<td>Teddy Mekonnen</td>
<td>10/12/2017</td>
<td>(202) 727 - 2719</td>
<td><a href="mailto:teddy.mekonnen@dc.gov">teddy.mekonnen@dc.gov</a></td>
</tr>
</tbody>
</table>

**DATA SUBMISSION**

<table>
<thead>
<tr>
<th>Sequence Number</th>
<th>Institution Name</th>
<th>Street Address</th>
<th>City, State, ZIP</th>
<th>Institution Code</th>
<th>Account Code</th>
<th>Account Number Per Institution</th>
<th>SOAR Comptroller GL Account</th>
<th>SOAR Agency GL Account</th>
<th>SOAR Bank ID Assigned by OFT</th>
<th>SOAR GAAP Fund / Appropriated Fund / Detail Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>COLOMBO BANK</td>
<td>1600 East Gude Drive</td>
<td>Rockville, MD</td>
<td>2</td>
<td>B</td>
<td>2276</td>
<td>0071</td>
<td>0071AC</td>
<td>427</td>
<td>0109/0100</td>
</tr>
</tbody>
</table>
# Bank Reconciliation

**Bank**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Ending Balance as at 09/30/17</td>
<td>$67,345.15</td>
</tr>
</tbody>
</table>

Add: Deposits In Transit

Less: Outstanding Checks

**Adjustments**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Balance (09/30/17)</td>
<td>$67,345.15</td>
</tr>
</tbody>
</table>

**SOAR**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Balance as at 09/30/17</td>
<td>$67,345.15</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted Balance 09/30/17</td>
<td>$67,345.15</td>
</tr>
</tbody>
</table>

Prepared by: [Signature]  Date: 10/5/2017

Reviewed by: [Signature]  Date: 10/5/2017
# RECEIVED

OCT 10 2017

OFFICE OF THE DC AUDITOR

000022

ADVISORY NEIGHBORHOOD
COMMISSION SECURITY FUND
OFFICE OF THE DC AUDITOR
717 14TH ST NW STE 900
WASHINGTON DC 20005-3217

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COMMERCIAL SAVINGS ACCOUNT \[\text{###276}\]

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>DEBITS</th>
<th>CREDITS</th>
<th>DATE</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BALANCE LAST STATEMENT</td>
<td></td>
<td></td>
<td>06/30/17</td>
<td>67,089.73</td>
</tr>
<tr>
<td>INTEREST AT 0.1501 %</td>
<td>8.55</td>
<td></td>
<td>07/31/17</td>
<td>67,098.28</td>
</tr>
<tr>
<td>INTEREST AT 0.1500 %</td>
<td>8.55</td>
<td></td>
<td>08/31/17</td>
<td>67,106.83</td>
</tr>
<tr>
<td>DEPOSIT</td>
<td>230.32</td>
<td></td>
<td>09/26/17</td>
<td>67,337.15</td>
</tr>
<tr>
<td>INTEREST AT 0.1500 %</td>
<td>8.00</td>
<td></td>
<td>09/29/17</td>
<td>67,345.15</td>
</tr>
<tr>
<td>BALANCE THIS STATEMENT</td>
<td></td>
<td></td>
<td>09/29/17</td>
<td>67,345.15</td>
</tr>
</tbody>
</table>

TOTAL CREDITS \((4)\) \[255.42\]
TOTAL DEBITS \((0)\) \[0.00\]
INTEREST THIS STATEMENT \[25.10\]
INTEREST PAID 2017 \[61.03\]

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END OF STATEMENT

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NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION
<table>
<thead>
<tr>
<th>Beginning Balance</th>
<th>Debit</th>
<th>Credit</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>65,422.64</td>
<td>.00</td>
<td>1,922.51</td>
<td>67,345.15</td>
</tr>
<tr>
<td>BEGINNING BALANCE</td>
<td>DEBIT</td>
<td>CREDIT</td>
<td>ENDING BALANCE</td>
</tr>
<tr>
<td>-------------------</td>
<td>----------</td>
<td>--------</td>
<td>---------------</td>
</tr>
<tr>
<td>65,422.64</td>
<td>1,922.51</td>
<td>0.00</td>
<td>67,345.15</td>
</tr>
</tbody>
</table>

F1-HELP    F5-NEXT    F9-INTERRUPT   ENTER-INQUIRE   CLEAR-EXIT
TOPIC 3
AGENCY-CONTROLLED CASH AND INVESTMENT ACCOUNTS
REQUIREMENT 6: ACCOUNT INFORMATION FOR CASH ACCOUNTS
REPORTING DATE: AS OF September 30, 2017

INSTITUTION NAME: COLOMBO BANK
ACCOUNT NUMBER: [Redacted]

Source of Deposits:
EACH ADVISORY NEIGHBORHOOD COMMISSION (ANC) MAY PARTICIPATE IN THE SECURITY FUND UPON PAYMENT OF AN ANNUAL CONTRIBUTION

Use of Withdrawals:
INSURING ANC AGAINST UNAUTHORIZED EXPENDITURES OR LOSS OF FUNDS

Restrictions on Use of the Money:
USE OF THE ANC SECURITY FUND DEPOSITS IS RESTRICTED TO THE ANCS

Compensating Balance Requirements:
N/A

Credit Risk of Monisa (Check One)
X Insured by Federal depository insurance funds up to $250,000

Collateralized with securities held by Agency
Collateralized with securities in the name of the District and held by agent of the agency
Collateralized with securities in the name of the District and held by the financial institution
Collateralized with securities not in the name of the District and held by agent of the financial institution
Uncollateralized

Does the District have the right to liquidate the collateral in the event of default of the financial institution
NA Yes
NA No

Does the District have the right to additional collateral if the market value of the collateral falls below the required level?
NA Yes
NA No

Does a written custodial agreement exist?
X Yes
No

Market value of collateral at June 30
N/A

Excess (deficiency) of collateral over (under) bank balance at June 30
N/A